

ANNUAL REPORT 2016-17



**PVP Ventures Limited**



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## CHAIRMAN'S Message



Dear Shareholders,

We have forayed into Real estate, Retail and the Entertainment industries with a backward integration of each of them from our strong experience from the past- an eclectic mix of opportunities, learning and grand successes. Below is our company's diverse portfolio description in brief.

**REAL ESTATE:** During the financial year under review, the Company registered a total revenue of Rs. 3,833.64 Lakhs on Standalone basis as compared to the previous year's total revenue of Rs. 2,752.40 Lakhs. Further, total revenue on consolidated basis is Rs. 15,666.88 Lakhs as compared to the previous year's total revenue of Rs. 15,735.68 lakhs. The Standalone PAT (Profit after Tax) stood at Rs. 2,067.38 lakhs as against Rs.155.60 lakhs in the year 2015-16 and the Consolidated PAT stood at Rs. 821.80 lakhs as against Rs. 32.67 lakhs in the previous year.

**RETAIL:** The Company has forayed into the retail consumer services industry through its wholly owned subsidiary M/s Safetrunk Services Private Limited. The Company is into Safe Deposit Lockers Business under the brand name "SAFETRUNK" with exclusive safe deposit locker offering for retail customers with state of the art security systems, 24x7 operational availability and white glove service standards.

**ENTERTAINMENT:** The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making high growth strides, with an expected growth at a CAGR of 14.3 per cent to Rs. 2260 billion by 2020, predicted the KPMG-FICCI Media and Entertainment industry report 2016.

During the last year, the Government of India has supported Media and Entertainment industry's growth by taking various initiatives such as digitising the cable distribution sector to attract greater institutional funding, increasing FDI limit from 74 per cent to 100 per cent in cable and DTH satellite platforms. PVP Ventures plans to foray into this industry so as to seize the emerging opportunities available in this sector leading to the value addition in the company.

With the expected growth and prospects in the three industries viz; Real Estate, Retail and Entertainment and the Company's diversified business verticals in these industries, with a strategy of targeted growth, PVP Ventures foresee a progressive future and remarkable performance for itself in the years to come.

Best Regards,

**Prasad V. Potluri**  
Chairman & Managing Director

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Prasad V. Potluri – Chairman & Managing Director  
Mr. R. Nagarajan – Independent Director  
Mr. N.S. Kumar – Independent Director

### BOARD COMMITTEES

#### Audit Committee

Mr. R. Nagarajan – Chairman  
Mr. N.S. Kumar  
Mr. Prasad V. Potluri

#### Stakeholders Relationship Committee

Mr. R. Nagarajan – Chairman  
Mr. N.S. Kumar  
Mr. Prasad V. Potluri

#### Nomination and Remuneration Committee

Mr. N.S. Kumar – Chairman  
Mr. R. Nagarajan

#### CSR Committee

Mr. R. Nagarajan – Chairman  
Mr. N.S. Kumar  
Mr. Prasad V. Potluri

### KEY MANAGERIAL PERSONNEL

Mr. Prasad V. Potluri – Chairman & Managing Director  
Mr. D. Krishnamoorthy – CFO & Company Secretary

### STATUTORY AUDITORS

M/s Brahmayya & Co.  
Chartered Accountants  
No:48, Masilamani Road, Balaji Nagar, Royapettah, Chennai - 600014.

### PRINCIPAL BANKERS

Kotak Mahindra Bank Ltd.  
Canara Bank

### REGISTERED OFFICE

KRM Centre, 9th Floor, Door No. 2  
Harrington Road, Chetpet, Chennai - 600031.  
T: +91 44 3028 5570 F: +91 44 3028 5571

E: investorrelations@pvpglobal.com

### CORPORATE OFFICE

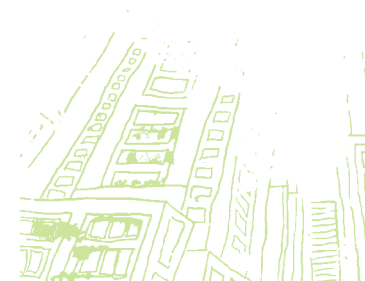
4th Floor, Punnaiah Plaza, Plot No. 83 and 84,  
Road No. 02, Banjara Hills, Hyderabad - 500 034.  
T: +91 40 6730 9999 F: +91 40 6730 9988

### STOCK EXCHANGES WHERE COMPANY'S SECURITIES ARE LISTED

The BSE Limited  
The National Stock Exchange of India Ltd.

### REGISTRAR AND SHARE TRANSFER AGENTS

Karvy Computershare Private Ltd.  
C/O Karvy Selenium, Tower B, Plot No. 31 and 32, Financial District,  
Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032.  
T: +91 40 6716 1591 E: einward.ris@karvy.com



## NOTICE

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of the Members of PVP Ventures Limited will be held on Thursday, September 28, 2017 at 10.00 am at Hotel Green Park, Vauhini Hall, No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai 600 026, Tamil Nadu to transact the following:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including consolidated financial statements) for the financial year ended March 31, 2017 and the Reports of the Board of Directors and the Auditors thereon.
2. To ratify appointment of M/s. Brahmayya & Co. as Statutory Auditors and fix their remuneration and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the resolution passed by Members at the 25<sup>th</sup> Annual General Meeting appointing Brahmayya & Co., Chartered Accountants, (FRN: 000511S) as Statutory Auditors of the Company to hold office until the conclusion of 30<sup>th</sup> Annual General Meeting of the Company, the Company hereby ratifies and confirms the appointment of M/s. Brahmayya & Co., as Statutory Auditors of the Company for the financial year ending 31<sup>st</sup> March, 2018 on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

### By order of the Board of Directors

For PVP VENTURES LIMITED  
Sd/-

Place: Chennai  
Date: August 08, 2017

D. Krishnamoorthy  
CFO & Company Secretary

### NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING [‘THE MEETING’] IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ONLY ON A POLL ON HIS/HER/ITS BEHALF AND THE PROXY, HOWEVER, NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the Registered Office of the company not less than 48 hours before commencement of the meeting. A Proxy form for the AGM is enclosed with this Annual Report.**
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf.
3. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting. Members are requested to bring their attendance slips along with their copy of Annual Report to the Meeting.
4. In case of joint holders, the first joint holder will be entitled to vote in the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2017 to September 28, 2017 (both days inclusive) for the purpose of Annual General Meeting.
6. Pursuant to Section 101 of Companies Act, 2013 read with the relevant Rules, the Company is allowed to serve documents like notices, annual reports, etc., in electronic form to its Members. Accordingly, the said documents of the Company for the financial year ended March 31, 2017 are being sent in electronic form to those Members who have registered their e-mail addresses with their DPs. However, in case, a Member wishes to receive a physical copy of the said documents, such Member is requested to send an e-mail duly quoting his DP ID and Client ID or the Folio number, as the case may be, to [investorrelations@pvpglobal.com](mailto:investorrelations@pvpglobal.com) for receipt of hard copy. This would enable the Company to update its database by incorporating/ updating the designated e-mail addresses in its records. The Members may also note that the said Reports are also being uploaded on the website of the Company at [www.pvpglobal.com](http://www.pvpglobal.com).
7. Members are requested to quote their Registered Folio Number, Client ID, Number of shares in all correspondences with the Company/RTA and notify the Company’s RTA, or the Depository Participants, the change of registered address, if any.
8. Non-Resident Indian Members are requested to inform the Company’s RTA immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
9. The Company has designated an exclusive email ID viz. [investorrelations@pvpglobal.com](mailto:investorrelations@pvpglobal.com), which would enable the investors/shareholders to post their grievances, if any, by quoting their Registered Folio Number, Client ID, and Number of shares. However, it may be noted that the Company would not respond to any kind of malicious allegations made by the shareholders with ulterior motives.
10. Queries concerning Annual Accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the Meeting so that the answers may be made readily available at the meeting.
11. The Annual Report of the Company for the year 2016-17 circulated to the Members of the Company is available on the Company’s website, viz. [www.pvpglobal.com](http://www.pvpglobal.com)
12. The Company, pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, is extending e-voting facility for its Members to enable them to cast their vote electronically. Further, the facility for voting, through ballot paper, will also be made available at the AGM. However, the Members attending the AGM who cannot

cast their votes by remote e-voting, can also exercise their right at the AGM through ballot paper. Members who have cast their votes by e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. In this regard, the Company has appointed M/s. D. Hanumanta Raju and Co, Practicing Company Secretaries, Hyderabad, who in the opinion of the Board is a duly qualified person, as a Scrutinizer to oversee the electronic voting process in a fair and transparent manner.

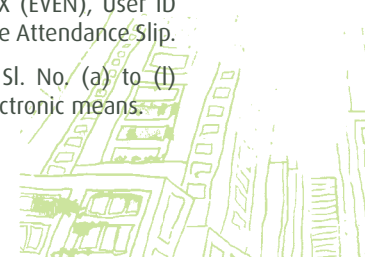
13. The e-voting facility will be available at the link <http://evoting.karvy.com> during the voting period.
14. The login ID and password for e-voting along with process, manner and instructions is being sent to the members along with email/physical copy of the Notice.
15. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of cut-off date i.e., September 21, 2017 may obtain the login ID and password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com). However, if you are already registered with Karvy for e-voting, then you can use your existing User ID and password for casting your vote.
16. Members are requested to note that the e-voting will open on September 25, 2017 at 9.00 a.m. and shall remain open for 3 days i.e. up to September 27, 2017 and it shall not be allowed beyond 5 p.m. on September 27, 2017.
17. The procedure and instructions for e-voting are as follows:

**I. Remote e-voting:** In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

- (A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:
- a) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - b) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - c) After entering these details appropriately, click on "LOGIN".
  - d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least

one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- e) You need to login again with the new credentials.
  - f) On successful login, the system will prompt you to select the "EVENT" i.e., "Name of the Company"
  - g) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - h) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
  - i) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - j) You may then cast your vote by selecting an appropriate option and click on "Submit".
  - k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - l) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email [thr300@gmail.com](mailto:thr300@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name Event No."
- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:
- a) E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
  - b) Please follow all steps from Sl. No. (a) to (l) above to cast your vote by electronic means.



**II. Voting at AGM:** The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

#### OTHER INSTRUCTIONS

In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact [inestorrelations@pvpgoal.com](mailto:inestorrelations@pvpgoal.com), PVP Ventures Limited or Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 - 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

- You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- The remote e-voting period commences on September 25, 2017 (9.00 A.M. IST) and ends on September 27, 2017 (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 21, 2017, may cast their votes electronically. A person who is not a Member as on the cut-off date

should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

- The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. September 21, 2017.
- In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., September 21, 2017, he/she may obtain the User ID and Password in the manner as mentioned below:
  - If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: **MYEPWD** <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399  
 Example for NSDL:  
 MYEPWD <SPACE> IN12345612345678  
 Example for CDSL:  
 MYEPWD <SPACE> 1402345612345678  
 Example for Physical:  
 MYEPWD <SPACE> XXXX1234567890
  - If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - Member may call Karvy's toll free number 1800-3454-001.
  - Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

### ROUTE MAP TO THE VENUE OF THE AGM

#### Hotel Green Park

'Vauhini Hall' No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai - 600026



## DIRECTORS' REPORT

To the Members,

We are pleased to present the report on the business and operations of your Company for the year ended March 31, 2017.

### Financial Results

[Rs. In Lakh]

PARTICULARS	STANDALONE		CONSOLIDATED	
	2016-17	2015-16	2016-17	2015-16
Total Income	3833.64	2752.40	15666.88	15735.68
Operational, Administration and Other Expenses	822.59	933.11	11098.93	11275.97
Profit/(Loss) Before Depreciation Interest And Tax	3011.05	1819.29	4567.95	4459.71
Depreciation	59.02	54.23	111.46	115.55
Interest and Finance Charges	1936.79	1960.35	4717.46	5118.20
Profit / (Loss) Before Exceptional Items	1015.24	(195.29)	(260.97)	(774.04)
Exceptional Items	-	(350.89)	(102.77)	(1229.08)
Profit / (Loss) Before Tax	1015.24	155.60	(158.20)	455.04
Tax Expense	(1052.14)	-	(980.00)	422.37
Profit/ (Loss) after Tax	2067.38	155.60	821.80	32.67

### State of the Company's Affairs

During the financial year 2016-17, the Company witnessed Profit both on Standalone and Consolidated basis. The total revenue of the Company for the financial year ended 31 March, 2017 on Standalone basis is Rs. 37.67 crores as compared to the previous year's total revenue of Rs. 18.52 crores. Further, total revenue on consolidated basis is Rs. 155.60 crores as compared to the previous year's total revenue of Rs. 147.95 crores.

The Standalone Profit after tax stood at 20.67 crores as against Profit of Rs. 1.56 crores in 2016. Further, the Consolidated Loss after tax stood at Rs. 8.22 crores as against Profit of Rs. 0.33 crores in 2016.

### Dividend

In view of the inadequacy of the profits and in order to conserve the resources of the Company, for future Business operations, the Board of Directors did not recommend any dividend for the financial year ended March 31, 2017.

### Transfer to Reserves

In view of the aforesaid reason, the Board of Directors did not propose to transfer any amount to reserves for the period under review.

### Capital Structure

During the year, there is no change in the capital structure of the Company.

### Particulars of Loans, Guarantees and Investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

### Debentures

During the year under review, the Company has not issued any Debentures and total debentures outstanding as on the March 31, 2017 is 13,289, 14.5% Redeemable fully convertible Debentures (FCDs) of Rs. 1,00,000 each.

### Public Deposits

The Company has not accepted/renewed any fixed deposits during the year under review.

### Insurance

All the properties of your Company have been adequately insured.

### Related Party Transactions

In line with the requirements of the Companies Act, 2013 and erstwhile Listing Agreement and the current Listing Agreement signed with the stock exchanges pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, your company has formulated a Policy on Related Party Transactions which is also available on the Company's website at <http://www.pvpglobal.com/pdf/RPTPolicy-PVPL.pdf>. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and the Related Parties.

During the year under review, no Related Party Transactions or Material Related Party Transaction i.e., transactions, exceeding 10% of the annual consolidated turnover as per the latest audited financial statements, were noticed during the period under review. Accordingly, the disclosure of Related Party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable for the year ended March 31, 2016.

During the year, the Company had not entered into any contract / arrangement / transactions with Related Parties which could be considered as material in terms of Regulation 23 of the SEBI (LODR) Regulations, 2015. In accordance with Accounting Standard 18, the Related Party Transactions are disclosed under Note No. 26.14 of the Standalone Financial Statements.

### Material changes and commitments affecting financial position between the end of financial year and date of report

During the financial year under review, the company executed "Development Management Agreement"(DMA) on 27.04.2017, to develop the 20 acres land with M/s. Arihant Foundations & Housing Limited.

### Subsidiary Companies

The Company along with its subsidiaries is operating in the verticals of Urban Infrastructure, Media and Entertainment and retail customer services. As on March 31, 2017, the Company has 4 wholly-owned subsidiaries viz., PVP Corporate Parks Private Limited, PVP Global Ventures Private Limited, PVP Media Ventures Private Limited, Safetrunk Services Private Limited, besides 2 subsidiaries viz., New Cyberabad City Projects Private Limited, Picturehouse Media Limited and 4 stepdown subsidiaries viz., Adobe Realtors Private Limited, which is a wholly-owned subsidiary of PVP Global Ventures Private Limited and PVP Capital Limited.





PVP Cinema Private Limited and Picturehouse Media Private Limited, Singapore which are wholly-owned subsidiaries of Picturehouse Media Limited. Further, as on March 31, 2017, the company has no Associate Companies.

The consolidated financial statements of the Company including its subsidiaries have been prepared in accordance with Section 129(3) of the Companies Act, 2013. Further, a statement containing salient features of the financial statements of the subsidiaries in the prescribed format AOC-1 is appended as **Annexure - 1** to the Board's Report. Hence, a separate report on the performance and financial position of each of the subsidiaries and joint venture companies is not repeated here for the sake of brevity.

As required under Section 136 of the Companies Act, 2013 the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on the website [www.pvpglobal.com](http://www.pvpglobal.com). These documents will also be available for inspection during the business hours at the Registered office of the Company and any member who wish to get copies of such financial statements, may write to the Company for such requirement.

### Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report.

### Corporate Governance

The Company is committed to maintain the prescribed standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the mandatory stipulations prescribed. The Report on Corporate Governance as stipulated under Regulation 34 read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 forms part of the Annual Report.

### Board of Directors and Key Managerial Personnel

No Director(s) of the Company are being eligible offers themselves for re-appointment.

Mrs. Sai Padma Potluri, Non-executive woman Director of the Company resigned from the Board with effect from March 06, 2017.

Except the resignation of Mrs. Sai Padma Potluri, there was no other change in the Board of Directors during the year.

The details of training and familiarization programs and Annual Board Evaluation process for directors have been provided in the Nomination, Remuneration & Performance Evaluation Policy annexed with this report.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the criteria which may affect his status as an independent Director, gives a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

The policy on Directors' appointment and remuneration including criteria for determining qualifications positive attributes, independence of director and also remuneration for Key Managerial Personnel and other employees and

Board evaluation process also forms part of Annual Report at **Annexure 2**. The Managing Director doesn't receive any remuneration from any of the Subsidiaries of the Company.

During the year under review, Mr. S. Kannan, CFO has resigned w.e.f 30.09.2016, Mr. Piyush Dwivedi, VP-Corporate Finance & Strategy has resigned w.e.f. 04.11.2016, Mr. PV Krishna Kishore Babu, GM-Legal has resigned w.e.f. 30.11.2016 and Mr. Ravi Kumar Reddy resigned as the Company Secretary of the Company with effect from December 07, 2017. Subsequently the Board in its meeting held on December 14, 2016 appointed Mr. D. Krishnamoorthy as CFO of the Company and further in its meeting held on February 07, 2017 Mr. D. Krishnamoorthy was given additional responsibility as Company Secretary and Compliance officer of the Company.

There is no other change in the Key Managerial Personnel except the above.

### Composition of Board Committees

Audit Committee	
Mr. R. Nagarajan	Chairman
Mr. N. S. Kumar	Member
Mr. Prasad V. Potluri	Member

Nomination and Remuneration Committee	
Mr. N. S. Kumar	Chairman
Mr. R. Nagarajan	Member
*Mrs. P. Sai Padma	Member

Stakeholders Relationship Committee	
Mr. R. Nagarajan	Chairman
Mr. N. S. Kumar	Member
Mr. Prasad V. Potluri	Member

Corporate Social Responsibility Committee	
Mr. R. Nagarajan	Chairman
Mr. N. S. Kumar	Member
Mr. Prasad V. Potluri	Member

Executive Committee	
Mr. Prasad V. Potluri	Chairman
*Ms. P. Sai Padma	Member

Further details with respect to the aforesaid Committees are provided in the Corporate Governance Report attached herewith.

\*Mrs. P. Sai Padma Potluri, Director of the Company resigned with effect from March 06, 2017.

### Number of Meetings of the Board

The Board met 5 (Five) times during the financial year and the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was well within the period prescribed under the provisions of the Companies Act, 2013.

### Directors' Responsibility Statement

The financial statements of the Company are prepared as per applicable Accounting Standards as prescribed under Section 133 read with Rule 7 of the Companies (Accounts)

Rules, 2014 of the Companies Act, 2013 and other applicable provisions if any of the said act. There are no material departures from prescribed accounting standards. The Directors confirm that:

- (i) In preparation of the annual accounts for the financial year ended March 31, 2017 the applicable accounting standards have been followed;
- (ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors have prepared the annual accounts on a going concern basis;
- (v) The directors have laid down internal financial controls, which are adequate and are operating effectively; and
- (vi) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate to operate the company effectively.

#### **Statement on declaration given by Independent Directors under sub-section (6) of Sec.149**

The independent directors have submitted the declaration of independence, as required pursuant to sub-section (7) of section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6) of Section 149.

#### **Statutory Auditors**

M/s Brahmayya & Co., Chartered Accountants, (FRN: 0005115) were appointed as Statutory Auditors of your Company at the 25<sup>th</sup> Annual General Meeting held on September 27, 2016 for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In this regard, M/s. Brahmayya & Co., Chartered Accountants have submitted their written consent that they are eligible and qualified to be re-appointed as Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 and also satisfy the criteria provided in Section 141 of the Companies Act, 2013.

Accordingly, the Board recommended ratification of the appointment of M/s. Brahmayya & Co., Chartered Accountants as the Statutory Auditors of the Company at the this Annual General Meeting.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

#### **Auditors' Report & Directors' Comments on the Qualification made by statutory auditors:**

The Auditors' Report for the financial year 2016-17 is a "qualified report" for the standalone financial statements and "Un-qualified report" for the Consolidated financial statements.

#### **Auditors Qualification:**

*"As stated in Note No: 26.8 to the Standalone Ind AS Financial Statements, in relation to investment in few subsidiary companies net off provision amounting to Rs.56,005.15 Lakhs. Considering the market value of the assets and expected cash flows from the business of these subsidiary companies management considers these investments as good and recoverable and the provision to the extent already made is adequate. However the erosion in the net worth of these subsidiary companies, their dependence on the holding company to continue as a going concern, absence of cash flows, delay in commencement of projects and other related factors indicate the existence of material uncertainty in recoverability of net carrying value of investments. Hence we were unable to determine whether any adjustments to these net carrying amounts are necessary and additional provision for diminution, if any, to be made are not quantifiable at this point of time."*

#### **Directors' Comments on the above qualification**

In this regard the Board draws the attention of the current status of the North Town Project and the DMA signed for the 20 Acre Parcel, where in the bifurcated plots of various sizes, will bring sufficient revenue in the coming years. Hence, the Board is of the view that considering the market value of the assets and expected cash flows from the business, the provision already made are adequate.

#### **Secretarial Auditor**

M/s. D. Hanumanta Raju & Co., Company Secretaries were appointed to conduct the Secretarial Audit of the Company for the financial year 2016-17, as required under Section 204 of the Companies Act, 2013 and rules thereunder. The Secretarial Audit Report for the financial year 2016-17 forms part of the Annual Report as Annexure-3 of the Board's Report.

#### **Auditors Qualification:**

*As on 31st March, 2017, Board of the company does not have a Woman Director. Ms. Sai Padma Potluri, who was acting in the capacity of Non-executive Woman Director, has resigned on 06th March, 2017 which resulted in vacancy of a Woman Director on the Board of the Company.*

*Further, due to her resignation the constitution of Nomination and remuneration committee is not as per Section 178 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

#### **Directors' Comments on the above qualification:**

The Board is of the view that the Company is making earnest efforts to appoint a suitable and affordable Woman Director having an adequate industry knowledge and experience, which can be utilised for the growth of the Company.

After the appointment of the Woman Director, the nomination and remuneration committee will be reconstituted to induct the woman director as member of the committee in line with the provisions of the Companies Act, 2013.

#### **Stock Exchange Listing**

Presently, the Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited. The Company confirms that it has paid the Annual Listing Fees due to both the Stock Exchanges for the year 2017-18.



**Chairman and Managing Director Certification**

As required under the SEBI Guidelines, the Chairman and Managing Director and the Chief Financial Officer Certification is attached to this Report.

**Significant Material Orders**

There were no significant Material Orders passed against the Company during the year under review.

**Extract of Annual Return**

In accordance with Section 134 (3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as **Annexure 4** of the Board's Report.

**Internal Financial Control**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The company has systems, policies and process in place, pertaining to the Internal Control over the investments and advances in its subsidiaries. The Company is also extending the financial and strategic support to recover the investments and advances made to subsidiaries considering the market value of the assets and expected cash flows.

**Vigil Mechanism / Whistle Blower Policy**

The Company has a Whistle Blower Policy framed to deal with instances of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company [www.pvpglobal.com](http://www.pvpglobal.com)

**Corporate Social Responsibility (CSR)**

CSR Committee of the Company comprises of Mr. R Nagarajan, Mr. N S Kumar and Mr. Prasad V. Potluri and the Committee is responsible for formulating and monitoring the CSR Policy of the Company. The CSR Policy of the Company as approved by the Board of Directors of the Company is available on website of the company.

The Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure-5** to this Report.

**Reason for not spending the CSR amount**

The company is required to spend Rs. 36.98 Lakhs for the financial year 2015-16 and Rs. 10.58 lakhs for the FY 2016-17 and the same will be expended in future years. The company's only source of income is revenue from the Joint Development Agreement entered with M/s. North Town Estates Private Limited. As stated earlier, the Developer has released 20 acres of undeveloped land parcel to the Company, for which the company has an obligation to repay the Security Deposit. The Developer is adjusting the Company's Share of revenue against the outstanding security deposits with respect to the said 20 acres. Hence the cash flow of the company is adversely affected in spite of recording Profit after Tax during the current financial year.

**Particulars of employees**

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure-6** to the Board's Report.

**Risk Management Policy**

The Company has risk management policy in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may jeopardize the existence of the Company.

**Disclosure under the Sexual Harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during financial year ended March 31, 2017:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

**Conservation of Energy, Technology Absorption and Foreign Exchange Earning/Outgo**

Particulars regarding technology absorption, conservation of energy and foreign exchange earnings and outgo required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 to the extent applicable are as under:

<b>CONSERVATION OF ENERGY</b>			
A	The operations of the Company involve low energy consumption. Adequate measures have, however, been taken to conserve energy.		
<b>TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION</b>			
B	The Company continues to use the latest technologies for improving the quality of its operations.		
<b>FOREIGN EXCHANGE EARNINGS AND OUTGO:</b>			
			[Rs. In Lakh]
	Particulars	Current Year	Previous Year
1.	Foreign Exchange Earnings	Nil	Nil
2.	Foreign Exchange Outgo:	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**Acknowledgements**

Your Directors wish to express their appreciation for the support and co-operation extended by the bankers, financial institutions, joint development partners, shareholders, government agencies and other business associates. Your Directors wish to place on record their deep sense of appreciation for the committed services by the employees of the Company.

**For and on behalf of Board of Directors**

Sd/-  
**Prasad V. Potluri**  
Chairman & Managing Director

Sd/-  
**R. Nagarajan**  
Director

Date : August 8, 2017  
Place : Chennai

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Industry Structure & Development

#### Real Estate

The Indian real estate has come a long way and is today one of the fastest markets in the world. Real estate in India is being recognized as an infrastructure service that is driving the economic growth engine of the country. 2017 will be the year of implementation and digitization for the realty sector.

According to the Central Statistical Organisation's first advance estimates for 2016-17, the GDP is expected to grow by 7.1 percent, which is slower than 7.6 percent in the previous year. However, this discounts the impact of demonetization. Factoring in this impact, we expect the growth to decline by another about 50 basis points.

Year 2016 was a landmark year for the sector, with record absorption levels of over 43 million sq. ft. reflecting a 9% y-o-y growth. High absorption levels and global investor interest will continue to bring life into India's office sector. In 2017, the office sector is likely to maintain its momentum with an anticipated absorption of 40 million sq. ft. - A strong trend of 'pre-commitment' in under constructed buildings IT/ ITES to continue to be the key demand driver for space across the country.

As a momentous year for the country marked by two landmark economic reforms even as the global economic scenario was indifferent. The first is the Goods and Services Tax (GST), a single tax intended to replace the existing Central and State indirect taxes, which is expected to come into force in 2017. The second reform was the rollout of the demonetization scheme in early November 2016. In the long run, this reform aims to usher in greater transparency in financial transactions and a transition towards a cashless economy. In the short term, it has squeezed liquidity and consumption across the economy, notably in the construction sector.

The Indian real estate market is expected to touch US \$ 180 billion by 2020. The housing sector alone contributes 5-6 percent to the country's GDP. In the period 2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 percent.

Real estate sector is one of the most critical sector of Indian economy due to its huge multiplier effect on the economy. Any impact on real estate sector has a direct bearing on economic growth.

The Chennai real estate market faced its headwinds in the background of political uncertainty and an overall diminished market. However, towards the end of the fiscal year, expectations for both increased political stability and structural growth meant that the market stabilized with new launches increasing and an increase in offtake of near completion or completed units.

#### Opportunities

As mentioned, 2016 being the year of landmark decisions for the Indian real estate industry, the sector saw concerted efforts by the Government to bring in transparency as well as boost consumer sentiment in the sector, especially in the residential market. The outlook for the year 2017 is positive with an expectancy of steady growth, stability and revival

in the market. To add, measures such as the application of the Real Estate (Regulation and Development) Act, 2016, the Pradhan Mantri Awas Yojana, etc. will go a long way in increasing consumer confidence by effectively regulating developers and increasing transparency in the real estate industry.

#### Real Estate Sector and FDI

The real estate is not only the biggest contributor to GDP of the country but is also the fourth largest sector in terms of FDI inflows in the country. 100 percent Foreign Direct Investment (FDI) was permitted for Indian real estate sector in 2005, which had led to a boom in investment and developmental activities in later years.

According to Department of Industrial Policy and Promotion (DIPP), total FDI inflow in construction development sector (including townships, housing, built-up infrastructure) during April 2000 to December, 2016 has been around US\$ 24287 million which is about 8 percent of total FDI inflows (in terms of US\$) from April 2000 to December, 2016.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

#### Smart Cities Program

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies.

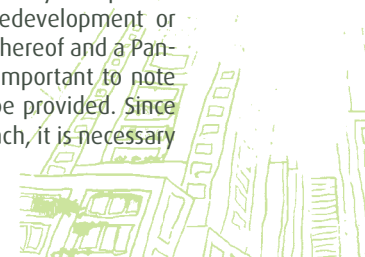
Smart Cities Mission of the Government is a bold, new initiative. It is meant to set examples that can be replicated both within and outside the Smart City, catalysing the creation of similar Smart Cities in various regions and parts of the country.

The purpose of the Smart Cities Mission is to drive economic growth and improve the quality of life of people by enabling local area development and harnessing technology, especially technology that leads to Smart outcomes. Area based development will transform existing areas (retrofit and redevelop), including slums, into better planned ones, thereby improving livability of the whole City.

New areas (Greenfield) will be developed around cities in order to accommodate the expanding population in urban areas. Application of Smart Solutions will enable cities to use technology, information and data to improve infrastructure and services.

Comprehensive development in this way will improve quality of life, create employment and enhance incomes for all, especially the poor and the disadvantaged, leading to inclusive Cities.

The smart city proposal of each shortlisted city is expected to encapsulate either a retrofitting or redevelopment or Greenfield development model, or a mix thereof and a Pan-city feature with Smart Solution(s). It is important to note that pan-city is an additional feature to be provided. Since smart city is taking a compact area approach, it is necessary



that all the city residents feel there is something in it for them also. Therefore, the additional requirement of some (at least one) city-wide smart solution has been put in the scheme to make it inclusive.

#### Post Demonetization Era

Housing demand will get a big boost with interest rates on home loans becoming cheaper following steep cut in the lending rates by major banks. Post Demonetisation, home loan rates have also fallen by close to 150 basis points in the backdrop of continued interest rate reductions by the RBI, and are at the lowest levels in the last eight years.

#### Income tax Concessions for Real Estate Sector

The holding period for capital gains arising from immovable property has been reduced from 36 months to 24 months. Further, the base year for indexation of benefits will be shifted from April 1, 1981 to April 1, 2001. These steps are expected to reduce the capital gains tax burden on property sellers thereby improve liquidity and enhance marketability of real estate as an asset. In addition, the capital gain tax will be attracted only in the year of completion of the project. This step will provide tax relief not only to the landowner but also the developer, thereby decreasing their liability.

#### Threats, Risks & Concerns

##### Government Policy

The real estate sector in India is heavily regulated by the central, state and local governments. The delay in approvals of project and amendments in the various Rules and Regulations can adversely impact new launches and increase in the cost of the projects. Retrospective applicability of policy changes may impact profitability.

Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector.

##### IT layoffs to hit residential property market

If the current job market scenario continues, it could have a negative impact on residential demand, especially the mid-premium segment. Given that the technology sector is one of the largest absorbers of commercial real estate, which in turn acts as a driver for housing, any large scale layoffs in this segment could affect residential sales.

##### Non-availability of Urban Land

Non-availability of land within city limits along with rising land and construction costs, making affordable housing projects unviable.

##### Outlook

According to The World Bank Report, the Indian economy will likely to grow at 7.6 percent in 2016-17, followed by further acceleration to 7.7 percent in 2017-18 and 7.8 percent in 2018-19. The outlook for 2017 brightens as liquidity in the economy moves towards normalization, with expectations for early revival and growth in overall consumption across several sectors including construction and building materials. The Union Budget for 2017-2018 was welcomed for its thrust on the rural sector, infrastructure development, housing and a boost to the overall.

The Indian real estate sector has traditionally been an unorganised sector but it is slowly evolving into a more organised one. The sector is embracing professional

standards and transparency with open arms. Especially with the introduction of Real Estate Investment Trust (REIT) which will be instrumental in bringing in more transparency as well as accountability in the sector.

The reduction in repo rate by RBI will help gain momentum in real estate industry. It would have a direct effect with interest rates on home loans becoming cheaper following steep cut in the lending rates by major banks thereby encouraging credible buyers to invest in real estate property. Home loan rates are at the lowest levels in the last eight years.

Policy interventions like RERA, amendments to the Benami Properties Transactions Act, Clarifications on REIT and GST are bound to change the very face of the realty sector. The sector had perception failure till now, but these regulations have been instrumental in instilling more transparency in the sector and confidence among the buyers.

#### Internal Control System and their adequacy

The internal audit and other internal checks implemented in the Company are adequate and commensurate with the size and nature of operations providing sufficient assurance and safe guarding all assets, authorizing transactions and its recording and timely reporting.

#### Financial Performance (Consolidated basis):

- A. Non-Current Investments: Investments done in various companies both listed and unlisted considering the business objectives and long term revenue generations from those investments. The small change from last year is due to the Fair Valuation of Mutual funds.
- B. Long term & Short term loans & advances: This indicates various other advances given by the Company in its regular course of business operations.
- C. Capital Structure: There is no change in the capital structure during the period under report.
- D. Reserves & Surplus: The increase in Reserves & Surplus is attributed to the increase in revenue from the Real Estate Segment and also changes in business operations of the subsidiaries during the current financial year.
- E. Borrowings: The increase in Long Term Borrowings is due to increase in loan from other body corporate. Short Term Borrowings represent the borrowings from banks and other parties.
- F. Revenue from Operations: The consolidated revenue from operations has increased to Rs. 155.59 crores from Rs. 147.94 crores during the previous year.
- G. Cost of Sales: The movie production expenses for the year 2017 stood at Rs.97.83 crore, which represents the expenses incurred on production of movies by the company and released during the year.
- H. Employee Benefit Expenses: The decrease in employee benefit expenses is due to reduction number of Top Level Executives and thereby reduction in provision made for retirement benefits and other perquisites extended to employees.
- I. Net Profit: The consolidated net profit for the year was Rs. 8.22 crores as against a net profit of Rs.0.32 crores during the previous year.

### Human Resources & Industrial Relations

Industrial relations are harmonious. The company recognizes the importance and contribution of the human resources for its growth and development.

### Disclosure of Accounting Treatment

The Company has adopted all the Ind AS Standards and the adoptions was carried out in accordance with Ind AS 101 First Time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under sec 133 of the companies act read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

### Cautionary Statements

*Statements in this Management Discussion and Analysis may contain forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. These statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Important developments that could affect the company's operations include a downtrend in media and entertainment sector, significant changes in political and economic environment in India or key financial markets abroad, tax laws, litigations, exchange rate fluctuations, interest and other costs. The term "Real Estate" wherever used by the Company includes Development of Real Estate Projects and Urban Infrastructure.*



## REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

Your Company believes that Good Corporate Governance will lead to attainment of long term goals and value addition to the Stakeholders of the Company. The Company believes in the system of accountability, transparency and business ethics in its business coupled with utmost importance to statutory compliances.

### 1. Company's philosophy on Corporate Governance

PVP Ventures Limited believes in the following three tier Corporate Governance Structure:

- (i) Members appoint the Board of Directors ('Board') and authorize to conduct business with objectivity and ensure accountability;
- (ii) Board Leads the strategic management of the Company on behalf of the Shareholders and in the best interests of all the Stakeholders, exercises supervision through direction and control and constitutes various Committees to handle specific areas of responsibilities; and
- (iii) The Committees of the Board and Executive Management appointed by the Board take up specific responsibilities and day-to-day tasks to ensure that the activities of the Company are bring managed according to the strategies and targets set by the Board.

The above principles have been the guiding force for whatever your Company does and shall continue to be so in the years to come. The Company is committed to adopting to the best practices in Corporate Governance and Disclosure.

### 2. Board Composition

#### a. Composition and Category of Directors

The Board consists of Three Directors comprising 1 (one) Executive Director and 2 (two) Independent Non-Executive Directors, as on March 31, 2017. The composition of the Board represents the finest blend of professionals from various backgrounds which enables the Board to discharge its responsibilities

Name of The Director	Designation/ Position	Date of Appointment	DIN	Directorships in Other Companies	Position on Committees of the Board of Other Indian Companies*	
					As Chairman	As Member
Mr. N. S. Kumar	Non-Executive and Independent Director	19/03/2001	00552519	6	Nil	4
Mr. R. Nagarajan	Non-Executive and Independent Director	19/03/2001	00443963	5	4	Nil
*Mrs. P. Sai Padma	Non-Executive Director	28/03/2015	01683528	Nil	Nil	Nil
Mr. Prasad V. Potluri	Chairman & Managing Director	04/12/2007	00179175	3	NIL	2

\*Mrs. Sai Padma Potluri resigned from the company with effect from March 06, 2017.

Notes:

- (i) Mr. Prasad V. Potluri and Mrs. P. Sai Padma are related to each other.
- (ii) As required by Regulation 26 of SEBI (LODR) Regulations, 2015 the disclosure includes Membership/ Chairpersonship of the Audit Committee and Stakeholders Relationship Committee only.
- (iii) \*Mrs. P. Sai Padma, Director of the Company resigned from the Company w.e.f. March 6, 2017.

more efficiently and provide effective leadership by taking the Company's business to achieve greater heights.

- b. The attendance of the Directors at the Meeting of Board of Directors held during financial year 2016-17 is as follows:

Name of The Director	No. of Board Meetings		Attendance at the AGM Held on September 27, 2016
	Held	Attended	
Mr. Prasad V. Potluri	5	4	Yes
Mr. R Nagarajan	5	5	Yes
Mr. N S Kumar	5	5	Yes
*Mrs. P. Sai Padma	5	2	No

\* Mrs. P. Sai Padma, Director of the Company have resigned from the Company w.e.f. March 6, 2017.

The necessary quorum was present for all the Board Meetings and the 25<sup>th</sup> Annual General Meeting. The maximum interval between any two Board Meetings was well within the maximum allowed gap of one hundred and twenty days.

None of the Directors hold any shares in the Company.

A code of conduct as applicable to the Directors and the designated senior management of the Company had been approved by the Board and adhered by them. A declaration to this effect from the Managing Director of the Company attached to this Annual Report.

- c. The details of each Member of the Board along with number of Directorship(s) / Committee Membership(s) held by Directors in companies other than PVP Ventures Limited, along with age of the Director, date of appointment to the Board of PVP Ventures Limited and Director Identification Number (DIN) are provided below for the period ended March 31, 2017:

#### d. Number of Board Meetings

During the financial year 2016-17, the Board met Five (5) times i.e., on May 23, 2016, August 17, 2016, September 14, 2016, December 14, 2016 and February 07, 2017.

#### e. Disclosure of relationship between directors inter-se

Mr. Prasad V. Potluri and Mrs. P. Sai Padma Potluri are brothers and sister. Other than Mr. Prasad V. Potluri, Chairman & Managing Director and Mrs. P. Sai Padma, none of the Directors are related to any other Directors.

**f. Shares held by Non-Executive Directors**

As on March 31, 2017, none of the Non - Executive Directors held any shares in the Company. However, Mrs. P Sai Padma holds 15,00,000(0.61%) equity shares in the Company who have resigned w.e.f. March 6, 2017.

**g. Directors Induction and Familiarization**

The details of Director's induction and familiarization are available on the Company's website at [www.pvpglobal.com](http://www.pvpglobal.com).

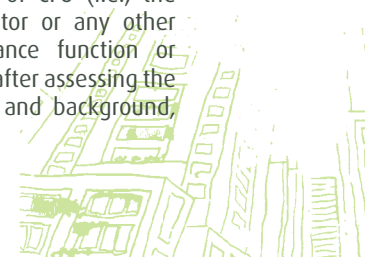
**h. Meeting of Independent Directors**

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, the independent directors of the Company shall hold at least 1 meeting in a year, without the attendance of non-independent directors and members of the management.

The Independent Directors have held a meeting on February 07, 2017, reviewed and discussed, the performance of non-independent directors and Board as a whole, and assessed the quality, quantity and timelines of flow of information between the company management and the Board which is necessary for the Board to effectively and reasonably perform their duties, the performance of the Company and risks faced by it, flow of information to the Board, competition, strategy, leadership strengths, weaknesses, governance, compliance, board movements, HR matters and performance of Chairman.

**3. Audit Committee****a. Brief description of terms of reference**

- i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
- f. Disclosure of any related party transactions
- g. Modified opinion(s) in the draft audit report;
- v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii) Approval or any subsequent modification of transactions of the company with related parties;
- ix) Scrutiny of inter-corporate loans and investments;
- x) Valuation of undertakings or assets of the company, wherever it is necessary;
- xi) Evaluation of internal financial controls and risk management systems;
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv) Discussion with internal auditors of any significant findings and follow up there on;
- xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii) To review the functioning of the Whistle Blower mechanism;
- xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;





- xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- xxi) Monitoring the end use of funds raised through public offers and related matters;
- xxii) To review the management discussion and analysis of financial condition and results of operations;
- xxiii) To review the statement of significant related party transactions (as defined by the audit committee), submitted by management;
- xxiv) To review the management letters / letters of internal control weaknesses issued by the statutory auditors;
- xxv) To review the internal audit reports relating to internal control weaknesses;
- xxvi) To review the appointment, removal and terms of remuneration of the chief internal auditor.
- xxvii) To review the statement of deviations of following:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xxviii) The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company; and
- xxix) The Audit Committee shall have authority to investigate into any matter in relation to the items specified above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

#### b. Composition, name of members and chairperson

The Audit Committee is constituted in accordance with Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Audit Committee was constituted by the Board with 2 Independent Directors and 1 Executive Director with Independent Director as its Chairman.

#### Details of Composition of Audit Committee

The Audit Committee comprises of three Directors, as detailed below. All Members are financially literate and have the required accounting and financial management expertise. The Chairman of the Audit

Committee, Mr. R. Nagarajan, is an Independent Director and he was present at the last Annual General Meeting to answer the Shareholders' queries.

Name of the Director	Category	Position
Mr. R. Nagarajan	Non-Executive and Independent Director	Chairman
Mr. N S Kumar	Non-Executive and Independent Director	Member
Mr. Prasad V. Potluri	Managing Director	Member

#### c. Audit Committee meetings and Attendance of the Audit Committee Meetings:

The Audit Committee met five (5) times during the financial year 2016-17 i.e., on May 23, 2016, August 17, 2016, September 14, 2016, December 14, 2016 and February 07, 2017 and not more than One Hundred and Twenty days had elapsed between any two Audit Committee Meetings. The necessary quorum was present for all the Audit Committee Meetings.

Name of the Director	Category	Position	Number Of Audit Committee Meetings	
			Held	Attended
Mr. R Nagarajan	Non-Executive and Independent Director	Chairman	5	5
Mr. N S Kumar	Non-Executive and Independent Director	Member	5	5
Mr. Prasad V. Potluri	Chairman and Managing Director	Member	5	4

The Company Secretary of the Company acts as a Secretary of the Committee.

#### 4. Nomination and Remuneration Committee

##### a. Brief description of terms of reference

- (i) Determine/recommend the criteria for appointment of Executive, Non-executive and Independent Directors to the Board
- (ii) Determine/recommend the criteria for qualifications, positive attributes and independence of Director
- (iii) Review and determine all elements of remuneration package of the executive directors i.e., salary, benefits, bonuses, stock options, pension etc.
- (iv) Formulate criteria and carryout evaluation of each Director's performance and performance of the Board as a whole

##### b. Details of Composition, name of members and Chairperson

The Nomination and Remuneration Committee was constituted by the Board with 2 Independent Directors and 1 Non-Executive Director with Independent Director as its Chairman.

#### Details of Composition of the Committee:

Name of the Member	Category	Position
Mr. N S Kumar	Non-Executive and Independent Director	Chairman
Mr. R. Nagarajan	Non-Executive and Independent Director	Member
*Mrs. P. Sai Padma	Non-Executive Director	Member

The Company Secretary of the Company acts as the Secretary to the Nomination & Remuneration Committee.

### c. Nomination & Remuneration Committee Meeting and Attendance during the Financial year ended March 31, 2017

The Nomination & Remuneration Committee met three (3) times during the financial year 2016-17 on May 23, 2016, December 14, 2016 and February 7, 2017.

#### Details of Attendance of the Nomination and Remuneration of Committee Meetings

Name of the Director	Category	Position	Number of Meetings	
			Held	Attended
Mr. N S Kumar	Non-Executive and Independent Director	Chairman	3	3
Mr. R Nagarajan	Non-Executive and Independent Director	Member	3	3
*Mrs. P Sai Padma	Non-Executive Director	Member	3	1

\*Mrs. Sai Padma Potluri resigned from the Directorship as well as the Membership of the Company with effect from March 06, 2017.

The Company Secretary of the Company acts as a Secretary of the Committee.

### d. Performance Evaluation Criteria of Independent Director:

During the year, committee under the guidance of Board, also formulated the criteria and framework for the performance evaluation of every Director of the Board including independent Directors and identified the ongoing training and education programs to ensure that the independent Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

### 5. Remuneration of Directors

- There is no pecuniary relationship or transaction of Non-Executive Directors with the Company during the year 2016-17.
- No remuneration is paid to Non-Executive Directors, apart from sitting fee for attending the Board & Committee meetings.
- Disclosures with respect to remuneration:
  - All elements of remuneration package of individual Directors summarized under major groups such as salary, benefits, bonuses, stock options, pension etc.

Remuneration is paid to Mr. Prasad V. Potluri, Chairman & Managing Director of the Company, no other directors receive any remuneration apart from sitting fee.

#### Details of sitting fees paid to the Directors are as follows:

Name of the Director	Amount (In Rupees)
Mr. Prasad V. Potluri	NIL
Mr. R. Nagarajan	148,200
Mr. N S Kumar	148,200
Mrs. P. Sai Padma	45,600

- Details of fixed component and performance linked incentives, along with the performance Criteria: NA
- Service contracts, notice period, severance fees: Company does not have any service contract with the Directors of the Company.

(d) Company has not granted any Stock options during the year.

### 6. Stakeholders' Relationship Committee

#### a. Composition of the Committee

The Stakeholders' Relationship Committee was constituted by the Board with the two (2) Independent Directors and 1 (one) Executive Director with Independent Director as its Chairman of the Committee.

#### Details of Composition of the Committee:

Name of the Director	Category	Position
Mr. R. Nagarajan	Non-Executive and Independent Director	Chairman
Mr. N S Kumar	Non-Executive and Independent Director	Member
Mr. Prasad V. Potluri	Chairman & Managing Director	Member

#### b. Name and designation of the Compliance Officer

Mr. D. Krishnamoorthy, Chief Financial Officer and Company Secretary.

#### c. Number of Shareholders' Complaints Received so far - 1

#### d. Number of complaints not resolved to the satisfaction of shareholders is NIL

#### e. There were no pending complaints as at the year end.

#### Terms of Reference

The Stakeholder Relationship Committee is responsible for:

- Consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend etc.
- Such other matters as may from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

The Company Secretary of the Company acts as the Secretary to the Stakeholders' Relationship Committee.

Your Company has a designated e-mail ID i.e., investorrelations@pvpglobal.com exclusively for the purpose of registering complaints and grievances of Shareholders.

Your Company has also displayed the said email ID and other relevant details prominently under the investors section in its website, www.pvpglobal.com for creating investor awareness.

Your Company maintains a functional website i.e., www.pvpglobal.com containing necessary information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances and details of agreements entered into with the media companies and/or their associates, etc. The contents of the said website are updated regularly as per Clause 54 of the Listing Agreement and Regulation 46 of the SEBI(LODR) Regulations, 2015:

The Committee met 4 times on May 23, 2016, September 14, 2016 and December 14, 2016 and February 07, 2017 during the financial year 2016-17.

## 7. General Body Meetings

### a. Annual General Meetings

Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed thereat are as follows:

Year	Venue	Date & Time	Special Resolutions Passed
2015-16	Hotel Green Park, Vauhini Hall, No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai - 600 026	September 27, 2016 10:00 A.M	Nil
2014-15	Hotel Green Park, Vauhini Hall, No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai - 600 026	September 29, 2015 10:00 A.M	1. Corporate Guarantee and/or Collateral Security extended and to be extended to M/s. Picturehouse Media Limited 2. Corporate Guarantee or Collateral Security to Subsidiary Companies.
2013-14	The Kings Hall The Pleasant Days Resort Chennai-Bangalore Highway Palanjur, Sembarambakkam, Chennai - 600 123	September 26, 2014 10.00 A.M	1. To alter the Articles of Association of the Company.

### b. Extraordinary General Meetings:

No Extraordinary General Meeting held during the year.

### c. Postal Ballot

During the year 2016-17, the Company has passed resolution for "Alteration of Objects Clause of Memorandum of Association" through Postal Ballot, results of which were declared on 02.09.2016.

## Details of Voting Pattern

Resolution Required		Special						
Whether promoter / promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of Shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled	% of votes in against on votes polled
		(1)	(2)	(3) = [(2)/(1)] * 100	(4)	(5)	(6) = [(4)/(2)] * 100	(7) = [(5)/(2)] * 100
Promoter and Promoter Group	E-Voting	14,09,90,766	0			0		0
	Poll		0	0	0	0	0	0
	Postal Ballot		14,09,90,766	100	14,09,90,766	0	100	0
Public Institutions	E-Voting	4,46,640	4,46,240	99.91	4,46,240	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0
Public-Non Institutions	E-Voting	10,36,15,295	10,59,705	1.02	10,29,500	30,205	97.15	2.85
	Poll							
	Postal Ballot		57,90,159	5.59	57,89,826	270	99.99	0.005
<b>Total</b>		<b>24,50,52,701</b>	<b>14,82,86,870</b>	<b>60.51</b>	<b>14,82,56,332</b>	<b>30,475</b>	<b>99.98</b>	<b>0.02</b>

### d. Person who conducted Postal Ballot exercise

M/s. D. Hanumantha Raju & Co. Practicing Company Secretaries, Hyderabad was appointed as Scrutinizer for carrying out the postal ballot process in fair and transparent manner.

### e. Passing of Special Resolutions through Postal Ballot during the year 2017-18.

There is no such proposal as of now. In case, any resolution needs to be passed through Postal Ballot during the year 2017-18, the procedure laid down under Section 110 of the Companies Act, 2013 and the Rules made thereunder will be complied.

## 8. Means of Communication

(a) The quarterly results are published in Business Standard(English) and Makkal Kural (in Tamil).

Quarterly Financial Results are furnished within the time frame to all the concerned Stock Exchanges as per Clause 41 of the Erstwhile Listing Agreement and Regulation 33 of the Securities Exchange Board of India(Listing Obligations and

Disclosure Requirements) Regulations, 2015 and the same are displayed on the Company's website [www.pvpglobal.com](http://www.pvpglobal.com)

The website [www.pvpglobal.com](http://www.pvpglobal.com) also displays vital information relating to the Company and its performance and such other statutory information such as shareholding pattern, annual reports, policies/code of conduct and such other like.

(b) No official news releases or presentations to institutional investors/analysts were made during the year.

## 9. General Shareholder information

**a. Annual General Meeting** – September 28, 2017 at 11.30 a.m. at Hotel Green Park, Vauhini Hall No.183, NSK Salai, Arcot Road, Vadapalani, Chennai, Tamil Nadu – 600 026.

**b. Financial Year** of the Company is 1st April to 31 March.

**c. Dividend payment date** – Not Applicable

- d. **Listing on Stock Exchanges** – The Company's share are listed on:

Name of the stock exchange	Address
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 023
National Stock Exchange of India Limited (NSE)	Exchange Plaza, 5 Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

The listing fees for the year 2016-17 has been paid to the above stock exchanges.

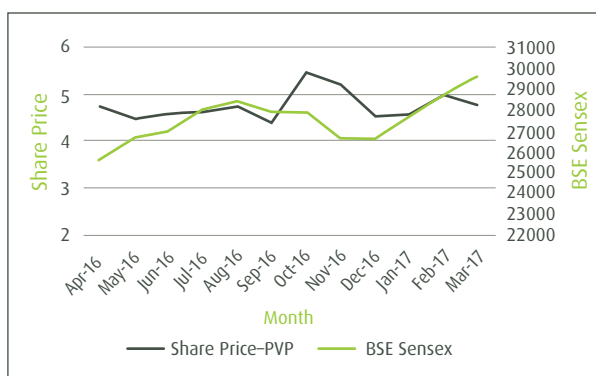
- e. **Stock Code** of the Company's scrip is PVP for NSE and 517556 for BSE.

- f. **High and Low Market Price** during each month in the accounting year was as follows:

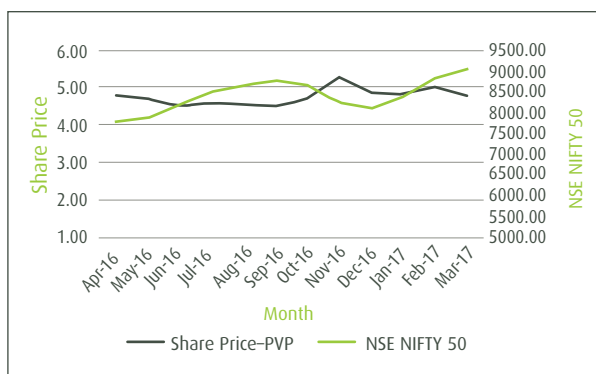
Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr 16	5.05	4.60	4.91	4.71
May 16	5.48	4.31	4.85	4.61
Jun 16	4.75	4.20	4.61	4.41
Jul 16	5.10	4.35	4.74	4.54
Aug 16	4.95	4.37	4.68	4.48
Sep 16	4.80	4.26	4.61	4.44
Oct 16	5.97	4.11	4.88	4.56
Nov 16	6.57	4.57	5.52	5.05
Dec 16	5.50	4.50	4.98	4.78
Jan 17	5.28	4.50	4.95	4.73
Feb 17	5.99	4.51	5.19	4.89
Mar 17	5.07	4.50	4.90	4.73

- g. **Performance in comparison to broad-based indices such as BSE Sensex, Nifty 50**

- I. Performance of PVP Ventures Limited monthly closing prices in comparison to monthly BSE Sensex closing



- II. Performance of PVP Ventures Limited monthly closing prices in comparison to monthly NSE Nifty closing



- h. **There was no suspension of trading in securities of the Company during the year under review.**

- i. **Registrar to issue and Share Transfer Agents**

Karvy Computershare Private Limited  
C/o Karvy Selenium Tower B, Plot Nos. 31 and 32,  
Financial District, Nanakramguda, Serlingampally Mandal,  
Hyderabad 500 032, Telangana.  
T: +91 040 – 6716 1591 E: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

- j. **Share Transfer System:** The Registrar and Share Transfer Agents, Karvy Computershare Private Limited, handle share transfers under the overall supervision of the Stakeholders' Relationship Committee.

- k. **Distribution of Shareholding as on 31st March, 2017 was as follows:**

(i) **Categories of Shareholders**

Category	No. of Shares	% To Share Capital
Promoters	14,09,90,766	57.53
FIs and Financial Institutions/Banks	2,88,64,585	11.78
Private Corporate Bodies	1,02,02,268	4.16
Indian Public	5,98,67,550	24.43
NRIs / HUFs/Clearing Members/Others	51,27,532	2.09
Custodians of GDRs	-	-

(ii) **Distribution of Shareholding**

S No	Category	No. of Shares	% of Shares	Amount	% Amount
1	upto 1 - 5000	19756	69.25	27799690	1.13
2	5001 - 10000	3297	11.56	29189250	1.19
3	10001 - 20000	2001	7.01	32599490	1.33
4	20001 - 30000	855	3.00	22548520	0.92
5	30001 - 40000	401	1.41	14767450	0.60
6	40001 - 50000	554	1.94	26796960	1.09
7	50001 - 100000	798	2.80	61854120	2.52
8	100001 & ABOVE	866	3.04	2234971530	91.20
	<b>Total:</b>	<b>29635</b>	<b>100.00</b>	<b>2450527010</b>	<b>100.00</b>

- l. **Dematerialization of Shares and Liquidity:** To facilitate trading in dematerialized form, the Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are actively traded on the National Stock Exchange Limited and BSE Limited. As on 31st March, 2017, 99.88% shares were held in dematerialized form.

- m. **There are no outstanding Global Depository Receipts/American Depository Receipts or Warrants or any convertible instruments as on the date of March 31, 2017.**

- n. **Commodity Price Risk or Foreign Exchange risk and hedging activities**

The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities, hence same are not applicable to the Company.

- o. **Plant locations**

The Company do not have any plants.



**p. Address for Correspondence**

PVP Ventures Limited  
4th Floor, Punnaiah Plaza, Plot No.83 and 84,  
Road No.2, Banjara Hills, Hyderabad – 500034.  
T: +91-40-6730 9999; F No: +91-40-6730 9988.  
E: investorrelations@pvpglobal.com

**10. Other Disclosures**

- a. There were no material significant Related Party Transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives etc. during the year that may have potential conflict with the interests of the Company at large. All related party transactions are intended to further the business interests of the Company.
- b. The Company has received Adjudication Orders nos. ASK/AO-174/2014-15 and ASK/AO-175/2014-15 and dated March 27, 2015 from Securities & Exchange Board of India ('SEBI') imposing penalty of Rs.15,00,000/- each against the Company and Mr. Prasad V. Potluri, Chairman and Managing Director for alleged non-disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and SEBI (Prohibition of Insider Trading) Regulations, 1992. Further, SEBI vide Adjudication Order nos. ASK/AO-172/2014-15 and ASK/AO-173/2014-15 and dated March 27, 2015 has imposed penalty of Rs.15,15,00,000/- each against PVP Global Ventures Private Limited ('wholly owned subsidiary') and Mr. Prasad V. Potluri (Promoter-Director of PVP Global Ventures Private Limited) for the alleged Insider Trading Violations during the period 2009-10.

However, the Company challenged the said impugned orders before the Securities Appellate Tribunal ('SAT') during June 2015 and the same is pending before the SAT.

Further to the Disclosure made at point no (iii) in the Annual Report for the year 2013-14, at page no. 46, it is submitted that the provisional attachment order issued by the Enforcement Directorate, Hyderabad Zonal Office ('ED'), was confirmed by the Adjudicating authority, at New Delhi on May 20, 2015. Consequently, the ED has attached 28 acres of land held by Adobe Realtors Private Limited, at Survey No. 609, Nadargul Village, Saroor Nagar Revenue Mandal, Ranga Reddy Dist., Telangana and taken possession of the property on August 4, 2015.

Adobe Realtors Private Limited has challenged the attachment order before the Appellate Tribunal on July 3, 2015 and the matter is pending before it.

- b. The Whistle blower policy as approved and adopted by the Board of Directors provides adequate safeguards against victimization of employees and provides access to the Audit Committee.
  - d. The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not adopted any of the clauses with regard to discretionary requirements.
  - e. The Policy for determining material subsidiaries is disclosed on the website of the Company [www.pvpglobal.com](http://www.pvpglobal.com)
  - f. The Policy on Related Party Transactions as approved and adopted by the Board of Directors is displayed on the website of the Company at [www.pvpglobal.com/html/otherstatutory-information.html](http://www.pvpglobal.com/html/otherstatutory-information.html)
  - g. Disclosure of commodity price risks and commodity hedging activities. – **Not Applicable**
11. The Company has complied with the requirements of the Schedule V, Corporate Governance report sub-para (2) to (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  12. The Company has not adopted any of the Discretionary requirements as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  13. The Company has made all the disclosures for compliance with corporate governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 in the section Report on corporate governance of the annual report.
  14. Disclosure with respect to Demat suspense account/ unclaimed suspense account – **Not applicable**

**For and on behalf of Board of Directors**

Date : August 8, 2017  
Place : Chennai

Sd/-  
**Prasad V. Potluri**  
Chairman & Managing Director

**Code of Conduct for Directors and Senior Management**

As the Chairman & Managing Director of PVP Ventures Limited and as required by Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year 2016-17.

Date : May 30, 2017  
Place : Chennai

Sd/-  
**Prasad V. Potluri**  
Chairman & Managing Director

## MD AND CFO CERTIFICATION

The Chairman & Managing Director and the CFO have given a Certificate to the Board as contemplated in Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as below:

**To**  
**The Board of Directors**  
**PVP Ventures Limited**

We, Prasad V. Potluri, Chairman & Managing Director and D. Krishnamoorthy, CFO & Company Secretary of PVP Ventures Limited, to the best of our knowledge and information, and on behalf of the Company certify that:

- a. We have reviewed financial statements and the Cash flow Statement for the year ended March 31, 2017 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. During the year under reference -
  - (i) there were no significant changes in the internal control over financial reporting;
  - (ii) no significant changes in accounting policies were made; and
  - (iii) no instance of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

**For PVP Ventures Limited**

Place : Chennai  
 Date : May 30, 2017

**Sd/-**  
**Prasad V. Potluri**  
 Chairman & Managing Director

**Sd/-**  
**D. Krishnamoorthy**  
 CFO & Company Secretary

## CERTIFICATE ON CORPORATE GOVERNANCE

**TO**  
**THE MEMBERS OF**  
**PVP VENTURES LIMITED**

We have examined the compliance of conditions of Corporate Governance by **PVP VENTURES LIMITED** ("*the Company*"), for the year ended on March 31, 2017, as per Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

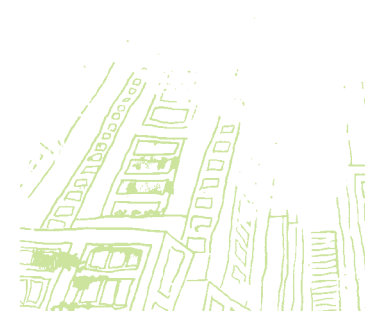
In our opinion and to the best of our information and according to the explanations given to us, by the Directors, Officers and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations except for having Woman director on the board of the Company and constitution of nomination and remuneration committee pursuant to resignation of Ms. Sai Padma Potluri w.e.f 06<sup>th</sup> March, 2017, who was acting in the capacity of Non-executive Woman Director.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For D. HANUMANTA RAJU & CO**  
 COMPANY SECRETARIES

Place : Hyderabad  
 Date : 20.06.2017

**Sd/-**  
**CS MOHIT KUMAR GOYAL**  
 PARTNER  
 ACS: 32655, CP NO: 12751



## Annexure – 1

## Statement containing the salient features of the financial statements of subsidiaries

(In Rs.)														
NAME*	Date of Acquisition of Subsidiary	REPORTING PERIOD	REPORTING CURRENCY	SHARE CAPITAL	RESERVES AND SURPLUS	TOTAL ASSETS	TOTAL LIABILITIES	INVESTMENTS	TURNOVER	PROFIT / (LOSS) BEFORE TAXATION	PROVISION FOR TAXATION	PROFIT / (LOSS) AFTER TAXATION	PD**	% ***
PCPPL	01.10.2007	31.03.2017	INR	50,00,000	16,46,00,268	16,96,63,518	63250	10,12,30,533	-	31,663	29,38,105	(29,06,442)	-	100%
PMVPL	29.04.2013	31.03.2017	INR	1,90,000	5,85,08,351	6,98,01,351	1,11,03,000	6,97,39,015	-	(14,34,544)	-	(14,34,544)	-	100%
PGVPL	01.12.2006	31.03.2017	INR	8,82,28,690	1,44,21,10,283	1543842607	1,35,03,635	25,13,04,673	-	(4,42,21,748)	5,17,707	(4,47,39,455)	-	100%
NCCPPL	08.08.2006	31.03.2017	INR	1,24,70,000	2,51,89,52,265	2,53,17,85,847	3,63,582	31,06,73,219	-	(608,325)	-	(60,8325)	-	81%
SSPL	16.01.2015	31.03.2017	INR	1,00,000	5,19,84,535	9,97,10,378	4,76,25,843	-	-	(30,65,384)	-	(30,65,384)	-	100%
ARPL	23.10.2013	31.03.2017	INR	1,00,000	(29,11,244)	51,491	28,62,735	-	-	(371,120)	-	(371,120)	-	100%
PCPL	25.08.2015	31.03.2017	INR	3,00,000	18,06,621	21,69,871	63,250	-	-	(87,295)	-	(87,295)	-	100%
PCL	25.08.2015	31.03.2017	INR	25,00,00,000	25,67,51,549	1,75,66,57,629	1,24,99,06,080	-	21,25,26,055	82,72,283	49,31,482	33,40,801	-	100%
PMPL	25.08.2015	31.03.2017	USD	3,899	(94.003)	8,530	4,725	-	-	(5,751.80)	-	(5,751.80)	-	100%
PML	25.08.2015	31.03.2015	INR	52,25,00,000	(18,09,25,076)	1,32,86,72,941	98,70,99,015	25,73,88,766	96,68,19,847	(12,10,74,601)	(11,74,311)	(11,99,01,290)	-	51.46%

\* Name of the Subsidiary

PVP Corporate Parks Private Limited (PCPPL)

PVP Media Ventures Private Limited (PMVPL)

PVP Global Ventures Private Limited (PGVPL)

PVP Island Private Limited (PIPL)

New Cyberabad City Projects Pvt Ltd (NCCPPL)

Safetrunk Services Pvt Ltd (SSPL)

Picturehouse Media Limited (PML)

Adobe Realtors Private Limited (ARPL)

Pvp Cinema Private Limited (PCPL)

Pvp Capital Limited (PCL)

Picturehouse Media Private Limited (PMPL)

\*\* Proposed Dividend

\*\* % Of Shareholding

**Note:**

1. **Names of Subsidiaries which are yet to commence operations** - PVP Corporate Parks Private Limited, PVP Media Ventures Private Limited, PVP Island Private limited, New Cyberabad City Projects Private Limited, PVP Cinema Private Limited

2. There are no Associate Companies or joint Ventures as on the date of this report.

3. ARPL is the wholly owned subsidiary of PGVPL & PCL, PCPL, PMPL (Singapore) are the wholly owned subsidiaries of PML

## Annexure- 2

### Nomination, Remuneration and Performance Evaluation Policy

#### 1. Introduction

The Board of Directors (the "Board") of PVP Ventures Limited (the "Company" or "PVPVL"), has adopted the following policy and procedures with regard to Appointment, Remuneration and Evaluation of performance of Directors, Key Managerial Personnel and Senior Management. The Board/ Audit Committee will review and may amend this policy from time to time.

This policy will be applicable to the Company effective from date of approval of the Board i.e., May 29, 2015.

#### 2. Title

This policy with regard to Performance Evaluation and Remuneration shall be called the PVP Ventures Limited – Nomination, Remuneration & Performance Evaluation Policy (herein after referred to as the "Policy").

#### 3. Scope

This Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### 4. Definitions

- a. Act means Companies Act, 2013
- b. Board means Board of Directors of the Company
- c. Committee means Nomination and Remuneration Committee of the Company.
- d. Company means PVP Ventures Limited
- e. Employee means any employee of the Company (whether working in India or abroad)
- f. Independent Director means a director who meets the criteria of Independence laid down under Section 149 of the Companies Act, 2013 read with the rules made there under and the Listing Agreement entered with the stock exchanges.
- g. Key Managerial Personnel means:
  - (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
  - (ii) Chief Financial Officer;
  - (iii) Company Secretary; and
  - (iv) Such other officer who is reporting to Managing Director/CEO.
- h. Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Clause 49 of the Listing Agreement.
- i. Senior Managerial Personnel mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

#### 5. Objective

The objective of the policy is to ensure that

- a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

#### 6. Composition of the Committee

The composition of the Committee is / shall be in compliance with the Act, Rules made thereunder and the Clause 49, as amended from time to time.

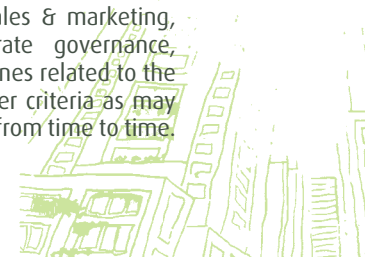
#### 7. Role of the Committee

The role of the NRC will be the following:

- a. To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and other employees.
- b. To formulate criteria for evaluation of Independent Directors and the Board.
- c. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board the appointment and removal of Directors and Senior Management.
- d. To carry out evaluation of Director's performance.
- e. To devise a policy on Board diversity, composition, size.

#### 8. Appointment and Removal of Director, Key Managerial Personnel and Senior Management

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c. Appointment of Directors, KMP's and Senior Management Personnel are subject to compliance of provisions of the Companies Act, 2013 and compliance of clause 49 of the Listing Agreement.
- d. While appointing Independent Directors, the Committee shall ensure that the person proposed to be appointed possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, administration, research, corporate governance, technical operations, other disciplines related to the Company's business and such other criteria as may be specified by any law amended from time to time.





- e. It shall also ensure that Directors proposed to be appointed are not disqualified under any law. In case of Independent Director, it shall ensure that person proposed to be appointed meets the criteria of independence as laid down by the Companies Act, 2013 and Listing Agreement as amended from time to time.
- f. The appointment as recommended by the Nomination and Remuneration Committee further requires the approval of the Board.

#### 9. Remuneration to Executive Directors, KMPs, Senior Management Personnel and other Employees of the Company

- a. The Executive Directors, KMPs and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., medical expenses, LTA and other expenses shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b. The Managing Director of the Company may decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.
- c. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Director/KMPs in accordance with the provisions of Schedule V to the Companies Act, 2013 or prior approval of the Central Government as the case may be.
- d. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- e. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- f. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

#### 10. Remuneration to Non-Executive / Independent Director

- a. The Non-Executive / Independent Director may receive sitting fees, accommodation, travelling and other expenses incidental thereto for attending meetings of Board or Committee thereof.
- b. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- c. Remuneration / Commission, if applicable, may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
- d. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.

#### 11. Evaluation

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary. Each year the Board of the Company will carry out an evaluation of its own performance. The Board performance evaluation is designed to:

- a. review the pre-determined role of the Board collectively and individual Directors in discharge of duties as set out in the Company from time to time.
- b. annually assess how well directors are discharging their responsibilities; collectively by assessing the Board's effectiveness; and individually by assessing the quality of a Director's contribution to general discussions, business proposals and governance responsibilities;
- c. annually assess the performance of directors in discharging their responsibilities;
- d. regularly evaluate the Directors' confidence in the integrity towards the Company, the quality of the discussions at Board meetings, the credibility of the reports and information they receive, the level of interpersonal cohesion between Board members and the degree of Board knowledge; and
- e. enable Board members, individually and collectively, to develop the key skills required to meet foreseeable circumstances with timely preparation, agreed strategies and appropriate development goals.

This can be achieved by collectively assessing the Board's effectiveness and by individually assessing the quality of a Director's contribution to general discussions, business proposals and governance responsibilities.

#### Criteria for Evaluation of Performance

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors and the Board.

- a. Attendance and contribution at Board and Committee meetings
- b. His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
- c. His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.
- d. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- e. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
- f. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
- g. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
- h. His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.

- i. Quality of decision making on source of raw material/ procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.
- j. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.

#### Procedure for Board Performance Evaluation

- a. The Chairperson will meet with the directors either collectively or separately, as he may deem fit, seeking input in relation to the performance of the Board, each Board Committee, other Whole time Directors and his own performance.
- b. Performance should be assessed quantitatively and qualitatively, as appropriate, based on the strategic plans and the roles/position description.
- c. The Chairperson will collect the input and provide an overview report for discussion by the Board.
- d. The Board as a whole will discuss and analyse the performance collectively of each director individually and its own performance during the year including suggestions for change or improvement, as well as any skills, education or development required over the forthcoming year.

#### Procedure for Board Performance Evaluation of Managing Directors and Key Executive of the Company

The Board will ensure that the Managing Directors and other key executives will execute the Company's strategy through the efficient and effective implementation of the business objectives. In order to accomplish this:

- a. Each year the Board reviews the Company's strategy.
- b. Following such a review the Board sets the organization performance objectives based on qualitative and quantitative measures.
- c. These objectives are reviewed periodically to ensure that they remain consistent with the Company's priorities and the changing nature of the Company's business.
- d. These objectives form part of the performance targets as assigned to the Managing Directors.
- e. Performance against these objectives is reviewed annually by the Board.
- f. The Managing Directors are responsible for assessing the performance of the key executives and a report is provided to the Board for review.

#### 12. Policy on Board Diversity

- a. This Policy on Board Diversity (the "Policy") forms part of Performance Evaluation and Remuneration Policy and it sets out the Company's approach to ensuring adequate diversity in its Board of Directors (the "Board") and is devised in consultation with the Nomination and Remuneration Committee (the "Committee") of the Board.
- b. The Policy applies to the Board of PVP Ventures Limited (the "Company"). It does not apply to employees generally.
- c. The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates. It is

recognised that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions amongst Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. At a minimum, the Board of the Company shall consist of at least one woman Director. All Board appointments are made on merit, in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole requires to be effective.

- d. The Board and the Committee will review this Policy on a regular basis to ensure its effectiveness and also compliance with revised Clause 49 of the Equity Listing Agreement (the "Clause 49").

#### 13. Framework for Separate Meeting of Independent Directors

- a. As required by the provisions of Schedule IV to the Act and the provisions of Clause 49, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.
- b. The meeting shall:
  1. review the performance of Non-independent Directors and the Board as a whole;
  2. review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors;
  3. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- c. This meeting could be held prior or after the Board Meeting as desired.

#### 14. Implementation

- a. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- b. The Committee may Delegate any of its powers to one or more of its members.

#### 15. Disclosure

In accordance with the requirement under the Companies Act, 2013, Rules made thereunder and Listing Agreement, disclosures will be made in the Board Report regarding the manner in which the performance evaluation has been done by the Board of Directors of its own performance, performance of various Committees of Directors and individual Directors.

The Company shall disclose the same in its Annual Report.

This Policy will upload this policy on the website of the Company at [www.pvpglobal.com](http://www.pvpglobal.com). The provisions of this Policy can be amended/modified by the Board of Directors of the Company from time to time and all such amendments/modifications shall take effect from the date stated therein.



## Annexure – 3

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
PVP VENTURES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PVP VENTURES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India, 1980 and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and read with the statutory auditor's report on financial statements and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, according to the explanations given to us, the company has, during the audit period covering the financial year ended on March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the period of audit);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the period of audit);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the period of audit); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the period of audit)
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) Other Laws specifically applicable to the company include:
- a) Transfer of Property Act, 1882
  - b) Indian Easements Act, 1882
  - c) Registration Act, 1908
  - d) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
  - e) The Land Acquisition Act, 1894

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except the following:

*As on 31<sup>st</sup> March, 2017, Board of the company does not have a Woman Director. Ms. Sai Padma Patluri, who was acting in the capacity of Non-executive Woman Director, has resigned on 06<sup>th</sup> March, 2017 which resulted in vacancy of a Woman Director on the Board of the Company.*

*Further, due to her resignation the constitution of Nomination and remuneration committee is not as per Section 178 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

**We further report that** the Board of Directors of the Company is duly constituted with proper balance

of Executive Directors, Non-Executive Directors and Independent Directors other than having Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors at least seven days in advance to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings are carried out unanimously as recorded in the Minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the period under review the company has not received any further communications from the Registrar of Companies (ROC) Chennai, with respect to the inspection of records of the company vide its notice dated 18.01.2016.

Place: Hyderabad  
Date: 20.06.2017

**For D.HANUMANTA RAJU & CO**  
COMPANY SECRETARIES

Sd/-  
**CS MOHIT KUMAR GOYAL**  
PARTNER  
ACS: 32655, CP NO: 12751

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

## 'Annexure A'

To,  
The Members,  
**PVP VENTURES LIMITED**

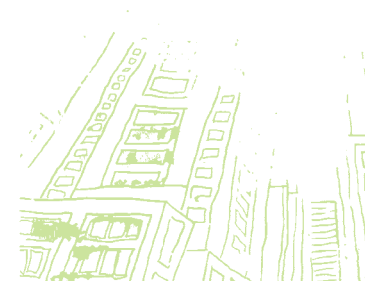
Our report of even Date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness and with which the management has conducted the affairs of the company.

Place: Hyderabad  
Date: 20.06.2017

**For D.HANUMANTA RAJU & CO**  
COMPANY SECRETARIES

Sd/-  
**CS MOHIT KUMAR GOYAL**  
PARTNER  
ACS: 32655, CP NO: 12751



## Annexure – 4

### FORM MGT – 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### 1. Registration and Other Details

CIN	<b>L72300TN1991PLC020122</b>
Registration Date	01.01.1991
Name of the Company	PVP VENTURES LIMITED
Category/Sub-Category of the Company	Public Company/Subsidiary of Foreign Company and Limited by Shares
Address of the Registered office and contact details	KRM Centre, 9th Floor, Door No. 2, Harrington Road, Chetpet, Chennai 600 031, Tamil Nadu Tel: +91-44-3028 5570; Fax: +91-44-3028 5571
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited C/o Karvy Selenium Towers B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032, Telangana Contact Person: Mr. K. Anandan   Manager Phone: +91-040-67161 591 E-mail: anandan.k@karvy.com

#### 2. Principal Business Activities of the Company

All the business activities contributing 10% or more of the turnover of the Company shall be stated

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate	6810	100.00

#### 3. Particulars of Holdings, Subsidiary and Associate Company

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Platex Limited Address: Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius	-	Holding	54.12	2(46)
2.	PVP Corporate Parks Private Limited Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet Chennai 600 031	U45201TN2003PTC051595	Subsidiary	100	2(87)
3.	PVP Global Ventures Private Limited Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet, Chennai 600 031	U74999TN2006PTC065653	Subsidiary	100	2(87)
4.	PVP Media Ventures Private Limited Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet, Chennai 600 031	U92120TN2013PTC091100	Subsidiary	100	2(87)
5.	Safetrunk Services Private Limited Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet Chennai 600 031	U74900TN2015PTC098854	Subsidiary	100	2(87)
6.	New Cyberabad City Projects Private Limited Address: Plot No. 83 and 84, 4th Floor, Punnaiah Plaza, Road No. 2, Banjara Hills, Hyderabad 500 034	U45201TG2006PTC050706	Subsidiary	81	2(87)
7.	Picturehouse Media Ltd. Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet, Chennai 600 031	L92191TN2000PLC044077	Subsidiary	51.46	2(87)
8.	Adobe Realtors Private Limited	U70102TG2007PTC052826	Subsidiary	100*	2(87)
9.	PVP Capital Limited	U65191TN1988PLC015481	Subsidiary	100**	2(87)
10.	PVP Cinema Private Limited	U65191TN1988PLC015481	Subsidiary	100**	2(87)
11.	Picturehouse Media Private Limited (Singapore)	NA	Subsidiary	100**	2(87)

\*Adobe Realtors Private Limited is the wholly owned subsidiary company of PVP Global Ventures Private Limited

\*\*PVP Capital Limited, PVP Cinema Private Limited, Picturehouse Media Private Limited (Singapore) are the wholly owned subsidiaries of Picturehouse Media Limited.

#### 4. Share Holding Pattern

(Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 2016				No. of Shares held at the end of the year 2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	8378000	0	8378000	3.42	8378000	0	8378000	3.42	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Others		0	0	0	0	0	0	0	0
<b>Sub-Total A(1):</b>	<b>8378000</b>	<b>0</b>	<b>8378000</b>	<b>3.42</b>	<b>8378000</b>	<b>0</b>	<b>8378000</b>	<b>3.42</b>	<b>0</b>
<b>FOREIGN</b>									
Individuals (NRIs/Foreign Individuals)	0	0	0	0	0	0	0	0	0
Bodies Corporate	132612766	0	132612766	54.12	132612766	0	132612766	54.12	0
Institutions	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0	0
<b>Sub-Total A(2):</b>	<b>132612766</b>	<b>0</b>	<b>132612766</b>	<b>54.12</b>	<b>132612766</b>	<b>0</b>	<b>132612766</b>	<b>54.12</b>	<b>0</b>
<b>Total Shareholding of Promoter A= A(1) + A(2)</b>	<b>140990766</b>	<b>0</b>	<b>140990766</b>	<b>57.53</b>	<b>140990766</b>	<b>0</b>	<b>140990766</b>	<b>57.53</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	300	0	300	0	300	0	300	0	0
b) Banks / FI	446340	0	446340	0.18	446340	0	446340	0.18	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1)</b>	<b>446640</b>	<b>0</b>	<b>446640</b>	<b>0.18</b>	<b>446640</b>	<b>0</b>	<b>446640</b>	<b>0.18</b>	<b>0.00</b>
<b>2. Non Institutions</b>									
(a) Bodies Corp	11416234	0	11416234	4.66	10202268	0	10202268	4.16	-0.50
(i) Indian	0	0	0	0	0	0	0	0	0
(ii) Overseas	0	0	0	0	0	0	0	0	0
<b>(b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs 1 lakh	20710877	108124	20819001	8.50	20219308	106524	20325832	8.29	0.20
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	41992159	52500	42044659	17.16	43848525	52500	43901025	17.91	-0.76
c) Others	0	0	0	0	0	0	0	0	0
Foreign Bodies	24505270	0	24505270	10.00	24505270	0	24505270	10.00	0
Clearing Members	1224451	0	1224451	0.05	85632	0	85632	0.03	0.2
Non Resident Indians	4539469	142710	4682179	1.91	3743363	142710	3886075	1.51	0.32
NRI Non-Repatriation	0	0	0	0.00	682592	0	682592	0.28	-0.28
NBFC	25200	0	25200	0.001	26300	0	26300	0.01	0.00
Overseas Corporate Bodies	300	0	300	0.00	300	0	300	0	0
Trusts	1	0	1	0	1	0	1	0	0
Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
<b>Sub-total B2</b>	<b>103311961</b>	<b>303334</b>	<b>103615295</b>	<b>42.28</b>	<b>103313561</b>	<b>301734</b>	<b>103615295</b>	<b>42.28</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>103758601</b>	<b>303334</b>	<b>104061935</b>	<b>42.47</b>	<b>103760201</b>	<b>301734</b>	<b>104061935</b>	<b>42.47</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0	0.00
<b>Grand Total (A+B+C)</b>	<b>244749367</b>	<b>303334</b>	<b>245052701</b>	<b>100</b>	<b>244749367</b>	<b>301734</b>	<b>245052701</b>	<b>100</b>	<b>0</b>



**B. Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 2016			Shareholding at the end of the year 2017			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	Platex Limited	132612766	54.12	0	132612766	54.12	0	0
	Sureddi Jhansi	6878000	2.81	2.81	6878000	2.81	0	0
	Potluri Sai Padma	1500000	0.61	0.41	1500000	0.61	0.41	0
	<b>Total</b>	<b>140990766</b>	<b>57.53</b>	<b>3.21</b>	<b>140990766</b>	<b>57.53</b>	<b>0.41</b>	<b>0</b>

**C. Change in Promoters' Shareholding**

SI. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	No Change in Promoter's Shareholding during the year under review.			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reason for increase / decrease				
	At the end of the year				

**D. Shareholding Pattern of Top Ten Shareholders**

[Other than Directors, Promoters and Holders of GDR and ADR]

SI. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SSG India Opportunities I Limited	2,45,05,270	10	2,45,05,270	10
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year			2,45,05,270	10
2	Arasu Vadasiruvelur Rajavelu	38,01,627	1.55	38,01,627	1.55
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year			38,01,627	1.55
3	Vinay Chilakapati	1983700	0.81	1983700	0.81
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year			1983700	0.81
4	S. Mukesh Kanooga	716353	0.29	716353	0.29
	At the beginning of the year				
	Sale - 01-04-2016	-3936		712417	0.00
	Purchase - 08-04-2016	39059	0.01	751476	0.31
	Purchase - 15-04-2016	197839	0.00	949315	0.39
	Purchase - 22-04-2016	580	0.00	949895	0.39
	Purchase - 13-05-2016	2190	0.00	952085	0.39
	Sale - 08-07-2016	-6000	0.00	946085	0.39
	Purchase - 29-07-2016	180102	-0.07	1126187	0.46
	Purchase - 26-08-2016	890	0.00	1127077	0.46
	Purchase - 02-09-2016	2800	0.00	1129877	0.46
	Purchase - 09-09-2016	11990	0.01	1141867	0.47
	Purchase - 16-09-2016	79572	0.03	1221439	0.50
	Purchase - 23-09-2016	40072	0.01	1261511	0.51
	Sale - 30-09-2016	-7725	0.00	1253786	0.51
	Purchase - 07-10-2016	29641	0.01	1283427	0.52
	Purchase - 21-10-2016	4200	0.01	1287627	0.53
	Purchase - 28-10-2016	29725	0.01	1317352	0.54
	Purchase - 04-11-2016	151889	0.06	1469241	0.60
	Purchase - 11-11-2016	60464	0.02	1529705	0.62
	Purchase - 18-11-2016	152119	0.03	1681824	0.69
	Purchase - 02-12-2016	45877	0.01	1727701	0.71
	Purchase - 06-01-2017	46605	0.01	1774306	0.72
	At the end of the year			1774306	0.79

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Mangesh Kanooga S				
	At the beginning of the Year	381100	0.16	381100	0.16
	Purchase - 13-05-2016	219838	0.09	600938	0.25
	Purchase - 16-09-2016	44000	0.01	644938	0.26
	Purchase - 23-09-2016	102611	0.05	747549	0.31
	Sale - 07-10-2016	-44000	0.02	703549	0.29
	Purchase - 21-10-2016	304794	0.12	1008343	0.41
	Purchase - 28-10-2016	517971	0.21	1526314	0.62
	Purchase - 11-11-2016	48022	0.02	1574336	0.64
	Purchase - 25-11-2016	29526	0.01	1603862	0.65
	Sale - 02-12-2016	-9463	0.00	1594399	0.65
	Sale - 06-01-2017	-21002	0.01	1573397	0.64
	Sale - 13-01-2017	-19461	0.01	1553936	0.63
	Purchase - 03-02-2017	20089	0.01	1574025	0.64
	Sale - 10-02-2017	-100	0.00	1573925	0.64
	Sale - 17-02-2017	-24195	0.01	1549730	0.63
	At the end of the year			1549730	0.63
6	Ravi Bokka Reddy	1438379	0.59	1438379	0.59
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year			1016000	0.41
7	PVP Global Ventures Private Limited	1090235	0.44	1090235	0.44
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year			1090235	0.44
8	Windy Investments Private Limited	1016000	0.41	1016000	0.41
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)				
	At the end of the year			1016000	0.41
9.	Mr. Parthasarathy Comandur	1008943	0.41	1008943	0.41
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year			1008943	0.41
10.	Pragmatic Real Estate Developers Private Limited	912812	0.37	912812	0.37
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year			912812	0.37
11.	Adhiraj Parthasarathy	826416	0.34	826416	0.34
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year			826416	0.34
12.	Anjan Malik	797930	0.33	797930	0.33
	At the beginning of the year				
	Date wise increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year			797930	0.33

#### E. Shareholding of Directors and Key Managerial Personnel

Sl. No	For Each of the Directors/KMPS	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Prasad V. Potluri, Chairman & Managing Director				
	At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0
2.	Mr. N S Kumar, Director				
	At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0





Sl. No	For Each of the Directors/KMPS	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3.	Mr. R. Nagarajan, Director At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0
4.	*Mrs. Sai Padma Potluri, Director At the beginning of the year	1500000	0.61	1500000	0.61
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			1500000	0.61
5.	Mr. V R Arasu-KMP (Associate Director – Business Development) At the beginning of the year	3801627	1.55	3801627	1.55
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			3801627	1.55
6.	**Mr. Piyush Dwivedi-KMP, VP (Strategies and Corporate Finance) At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0
7.	***Mr. S. Kannan-KMP, Chief Financial Officer At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0
8	^ Mr. P V Krishna Kishore Babu-KMP GM-Legal At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0
9	@ Mr.Ravi Kumar Reddy, Company Secretary At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0
10	# Mr. D. Krishnamoorthy Chief Financial Officer & Company Secretary At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0

\*Mrs. Sai Padma Potluri, Non-executive woman Director of the Company resigned from the Board with effect from March 06, 2017.

\*\*Mr. Piyush Dwivedi resigned with effect from 04.11.2016

\*\*\*Mr. S. Kannan, resigned with effect from 30.09.2016

^Mr. P Krishna Kishore Babu resigned with effect from 30.11.2016

@Mr. Ravi Kumar Reddy, appointed as Company Secretary with effect from 23-05-2016 and resigned with effect from 07.12.2016

#Mr. D. Krishnamoorthy appointed as Chief Financial Officer of the Company with effect from 14.12.2016 and appointed as Company Secretary with effect from 07.02.2017.

## F. Indebtedness

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	1,52,40,40,634	10,48,39,727	81,52,56,874	2,44,41,37,235
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	19,26,90,500	-	-	19,26,90,500
<b>Total (i+ii+iii)</b>	<b>1,52,40,40,634</b>	<b>10,48,39,727</b>	<b>81,52,56,874</b>	<b>2,44,41,37,235</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	20,06,80,150	-	-	20,06,80,150
• Reduction	-	(36,09,195)	(23,31,76,101)	(23,67,85,296)
<b>Net Change</b>	<b>20,06,80,150</b>	<b>(36,09,195)</b>	<b>(23,31,76,101)</b>	<b>(3,61,05,146)</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	1,33,93,39,784	10,12,30,532	58,20,80,773	2,02,26,51,089
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	38,53,81,000	-	-	38,53,81,000
<b>Total (i+ii+iii)</b>	<b>1,72,47,20,784</b>	<b>10,12,30,532</b>	<b>58,20,80,773</b>	<b>2,40,80,32,089</b>

## 6. Remuneration of Directors and key Managerial Personnel

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No	Particulars of Remuneration	PRASAD V. POTLURI	Total Amount
<b>1</b>	<b>Gross Salary</b>		
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	30,00,000	30,00,000
(b)	Value of Perquisites u/s 17(2) Income Tax Act, 1961	10,000	10,000
(c)	Profit in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
<b>2</b>	Stock Option	-	-
<b>3</b>	Sweat Equity	-	-
<b>4</b>	Commission	-	-
	As % of profit	-	-
	Others	-	-
<b>5.</b>	Others	-	-
	<b>Total (A)</b>	30,10,000	30,10,000
	<b>Ceiling as per the Act</b>	50,98,230	50,98,230

### B. Remuneration to other director

Other Directors are not paid remuneration except the Sitting Fees.

Sl No	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. R. Nagarajan	Mr. NS Kumar	Mrs. Sai Padma Potluri	
	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	1,48,200	1,48,200	-	<b>2,96,000</b>
	Total (1)				
	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	-	-	45,600	<b>45,600</b>
	Total (2)	-	-	-	-
	Total (B) = (1+2)				
	Total Managerial Remuneration	Rs. 30,10,000 (i.e., remuneration paid to Executive Director)			
	Overall Ceiling as per the Act	Rs. 70,87,000/-			

Note: The Directors mentioned in the above table are Independent Directors except for Mrs. Sai Padma Potluri who is a Non-Executive & Non-Independent Director and who resigned w.e.f. March 6, 2017.

The directors mentioned above are not paid any commission or any other remuneration except sitting fees within limits as prescribed under Section 197 (5) for attending the meeting.

### C. Remuneration to Key Managerial Personnel other than MD/MANGER/WTD

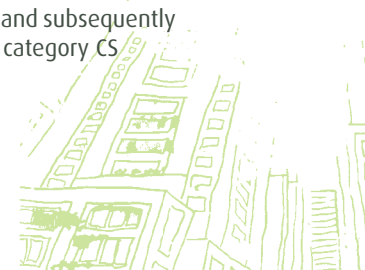
Sl No	Particulars of Remuneration	Key Managerial Personnel					Total	
		CEO	CS**	CFO*	VR Arasu [Associate Director- Business Development]	Piyush Dwivedi [VP Strategy and Corporate Finance]		PV Krishna Kishore Babu [GM-Legal]
<b>1</b>	<b>Gross Salary</b>							
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	18,60,105	18,00,000	45,00,000	21,09,333	11,90,000	<b>1,14,59,438</b>
(b)	Value of Perquisites u/s 17(2) Income Tax Act, 1961	-	-	75,000	-	-	-	<b>75,000</b>
(c)	Profit in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-
<b>2</b>	Stock Option	-	-	-	-	-	-	-
<b>3</b>	Sweat Equity	-	-	-	-	-	-	-
<b>4</b>	Commission	-	-	-	-	-	-	-
	As % of profit	-	-	-	-	-	-	-
	Others, specify	-	-	-	-	-	-	-
<b>5</b>	Others, please specify	-	-	-	-	-	-	-
	<b>Total (A)</b>	-	18,60,105	18,75,000	45,00,000	21,09,333	11,90,000	<b>1,15,34,438</b>

#### Notes:

- The Company is not required to appoint Chief Executive Officer (CEO).
  - Mr. Piyush Dwivedi resigned with effect from 04.11.2016
  - \*Mr. S. Kannan, resigned with effect from 30.09.2016. Remuneration is shown under CFO.
  - Mr. P Krishna Kishore Babu resigned with effect from 30.11.2016
  - \*\*Mr. Ravi Kumar Reddy, appointed as Company Secretary with effect from 23-05-2016 and resigned with effect from 07.12.2016. Remuneration shown under C.S.
  - \*\*Mr. D. Krishnamoorthy appointed as Chief Financial Officer of the Company with effect from 14.12.2016 and subsequently appointed as Company Secretary with effect from 07.02.2017. The remuneration is being shown under category CS
- The above remuneration is calculated on proportionate basis as per the resignation and appointments.

### 7. Penalties/Punishment/compounding of Offences

There were no penalties/punishment/compounding of offences for the year ended March 31, 2017.



## ANNEXURE – 5

### ANNUAL REPORT ON CSR ACTIVITIES

#### 1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes.

This Policy is framed, in accordance with the requirement of Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 including all statutory modifications / amendments made thereof.

The Company believes in *looking beyond business* and strives to create a positive impact on the communities it serves and on the environment. The Company is committed not just to profits, but also towards leaving a deeper imprint on the society as whole. The Management understands that there is a need to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the company's responsibilities towards the community.

The objective of the policy is to actively contribute to the social, environmental and economic development of the society in which the company operates.

The Company shall undertake the activities as recommended by the CSR committee and approved by the Board in accordance with the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (CSR Policy) Rules, 2014.

The CSR Policy and the activities undertaken for CSR is available on the Company's website [www.pvpglobal.com](http://www.pvpglobal.com)

#### 2. The Composition of the CSR Committee

Corporate Social Responsibility Committee	
Mr. R. Nagarajan	Chairman
Mr. N. S. Kumar	Member
Mr. Prasad V. Potluri	Member

#### 3. Average net profit of the company for last three financial years: Rs. 5,28,97,539

#### 4. Prescribed CSR Expenditure (2 percent of the amount as in item 3 above): Rs. 10,57,951

#### 5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: Rs. 47,55,534

(b) Amount unspent, if any: Rs. 36,97,583

(c) Manner in which the amount spent during the financial year is detailed below: **N.A.**

Sl. No.	Particulars	
1	CSR project or activity identified	--
2	Sector in which the project is covered	--
3	Projects or programme (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	--
4	Amount outlay (budget) project or programme wise	--
5	Amount spent on the project or programme Sub Heads; (1) Direct expenditure on projects or programmes (2) Overheads	--
6	Cumulative expenditure up to the reporting period	--
7	Amount Spent direct or through implementing agency	--

\* The company is required to spend Rs. 36.98 Lakhs for the financial year 2015-16 and Rs. 10.58 lakhs for the FY 2016-17 and the same will be expended in future years. The company's only source of income is revenue from the Joint Development Agreement entered with M/s. North Town Estates Private Limited. As stated earlier, the Developer has released 20 acres of undeveloped land parcel to the Company, for which the company has an obligation to repay the Security Deposit. The Developer is adjusting the Company's Share of revenue against the outstanding security deposits with respect to the said 20 acres. Hence the cash flow of the company is adversely affected in-spite of recording Profit after Tax during the current financial year.

#### 6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report – Reason mentioned in Board's Report

#### 7. The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

Sd/-  
**Prasad V. Potluri**  
Chairman & Managing Director

Sd/-  
**R. Nagarajan**  
Chairman of the Committee

Place: Chennai  
Date: August 8, 2017

## Annexure - 6

### Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration) of Managerial Personnel) Rules, 2014

- Ratio of remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2016-17, the percentage increase in remuneration of Key Managerial Personnel (KMP) and other Executive Directors during the financial year 2016-17.

Sl. No.	Name of the Director/KMP	Designation	Ratio of Remuneration of Each Director to Median Remuneration of Employees	% Increase In Remuneration
1	Mr. Prasad V. Potluri	Chairman and Managing Director	5.18	0.00
2	Mr. D. Krishnamoorthy	KMP (CFO & Company Secretary)	Not applicable	0.00
3	*Mr. V R Arasu	KMP (Associate Director - Business Development)	Not applicable	0.00
4	*Mr. Piyush Dwivedi	KMP (VP-Strategies and Corporate Finance)	Not applicable	0.00
5	*Mr. S Kannan	KMP (Chief Financial Officer)	Not applicable	0.00
6	*Mr. P Krishna Kishore Babu	KMP (GM - Legal)	Not Applicable	0.00
7	*Mr. Ravi Kumar Reddy	KMP (Company Secretary)	Not applicable	0.00

\*During the year under review, Mr. S. Kannan, CFO has resigned w.e.f 30.09.2016, Mr. Piyush Dwivedi, VP-Corporate Finance & Strategy has resigned w.e.f. 04.11.2016, Mr. PV Krishna Kishore Babu, GM – Legal has resigned w.e.f. 30.11.2016 and Mr. Ravi Kumar Reddy resigned as the Company Secretary of the Company with effect from December 07, 2017. Subsequently the Board in its meeting held on December 14, 2016 appointed Mr. D. Krishnamoorthy as CFO of the Company and further in its meeting held on February 07, 2017, Mr. D. Krishnamoorthy, was given additional responsibility as Company Secretary and Compliance officer of the Company.

- The Company has 29 permanent employees on the rolls of the Company as on March 31, 2017.
- Average Percentage increase made in the salaries of the employees other than the Managerial Personnel in the financial year was 6.89% whereas the decrease in the Managerial personnel was 34.25%.
- It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy.

### Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- Top 10 employees of the Company based on Remuneration drawn for FY 2016-17:

Sl. No.	Name of the Employee	Age	Designation	Educational qualification	Date of Joining	Gross Remuneration paid
1	Prasad V. Potluri	47	CMD	Bachelor in Mechanical	04-12-2007	30,00,000
2	Sambasiva Rao	39	DGM - Corporate Finance	MBA - Finance	17-05-2013	17,25,000
3	Dilip Badey	32	Senior Manager-Projects	B.Tech	04-08-2011	13,68,000
4	Ambika Philip	35	GM - HR & Operations	Graduate	18-04-2012	12,00,000
5	SivaramaKrishnan R	29	AGM - Accounts & Finance	B.Com, ACA, CMA	01-12-2014	12,00,000
6	ANVR Sateesh	33	Manager - Finance & Accounts	B.Com, ACA, CMA	30-09-2015	9,00,000
7	S. Narayanan	36	Manager - Projects	B.Tech Civil	17-06-2013	7,20,000
8	D. Krishnamoorthy	58	CFO& CS	B.Sc, FCA, ACS	24-10-2016	6,30,000
9	Ajay Babu	28	AGM - Corporate Affairs	MBA	19-05-2016	5,50,000
10	Krishna Kanth	29	Manager - Marketing	MBA	04-07-2014	5,00,000

- There are no employees who were in receipt of remuneration in excess of Rs.1 crore and 2 lakhs who were employed throughout the financial year.
- There are no employees who were in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was in excess of Rs. 8,50,000 per month.



## Standalone Financial Section

### INDEPENDENT AUDITOR'S REPORT

#### To the Members of PVP Ventures Limited

#### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of **PVP Ventures Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on Standalone Ind AS Financial Statements.

#### Basis for Qualified Opinion

As stated in Note No: 26.8 to the Standalone Ind AS Financial Statements, in relation to investment in few subsidiary companies net off provision amounting to Rs.56,005.15 Lakhs. Considering the market value of the assets and expected cash flows from the business of these subsidiary companies management considers these investments as good and recoverable and the provision to the extent already made is adequate. However the erosion in the net worth of these subsidiary companies, their dependence on the holding company to continue as a going concern, absence of cash flows, delay in commencement of projects and other related factors indicate the existence of material uncertainty in recoverability of net carrying value of investments. Hence we were unable to determine whether any adjustments to these net carrying amounts are necessary and additional provision for diminution, if any, to be made are not quantifiable at this point of time.

#### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Companies Act, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March 2017, and its profits (financial performance including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

#### Emphasis of Matter

We draw attention to

- a) As stated in Note No: 26.9 to the Standalone Ind AS Financial Statements, certain assets of the company have been

pledged as security by way of mortgage to the lenders for the borrowings by third parties and the borrowers have not repaid the loan along with interest to the lenders on the due dates. The outstanding loan by these companies as on 31st March 2017 is Rs.2,734.40 Lakhs. The realisable value of mortgaged assets is dependent on the repayment of the loans by the third parties. The management asserts that no adjustment to the carrying value is required as it is confident that the payment obligations will be met by the third party borrower in due course. Relying on the same no adjustments have been made to the carrying value of the assets.

- b) As stated in Note No: 26.11 to the Standalone Ind AS Financial Statements, the obligations towards disputed income tax matters amounting to Rs.2,129.65 Lakhs are pending before different judicial forums. Pending disposal of these appeals the eventual obligation in this regard is unascertainable at this time. Based on the management's assessment and based on the experts view on the merits of the dispute, no provision is considered necessary in this regard.

Our Opinion is not modified in respect of the above matters.

#### Other Matters

The financial information for the year ended 31<sup>st</sup> March 2016 and the transition date opening balance sheet as at 01<sup>st</sup> April 2015 included in these special purpose Standalone Ind AS Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and the other accounting principles generally accepted in India audited by CNGSN & Associates LLP, Chartered Accountants whose report dated 23<sup>rd</sup> May 2016, expressed modified opinion and 29<sup>th</sup> May 2015 expressed unmodified opinion on those standalone financial Statements respectively, as adjusted for the differences in the accounting principles adopted by the company on transition to the Ind AS, which have been audited by us.

Our Opinion is not modified in respect of this matter.

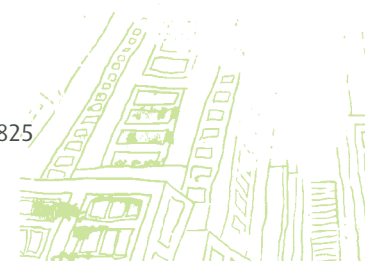
#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Act, we give in the "**Annexure A**" statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2017, taken on record by the Board of Directors, none of the directors of the company is disqualified as on 31<sup>st</sup> March 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the Internal financial control over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
  - g) With respect to the other matters to be included Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements. Refer Note 26.11 to the Standalone Ind AS Financial Statements.
    - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv) The company did not have any holdings or dealings in Specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016. Hence the disclosure requirement as envisaged in Notification G.S.R 308(E) dated 30th March 2017 is not applicable to the company. Refer Note No: 26.18 to the Standalone Ind AS Financial Statements.

**For Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn. No.0005115

Sd/-  
**K. Jitendra Kumar**  
Partner  
Membership No.201825

Place : Chennai  
Date : 30<sup>th</sup> May 2017



## Annexure - A to the Independent Auditors' Report

Referred to in Clause 1 of "Report on Other Legal and Regulatory Requirements" Paragraph of the Independent Auditors' Report of even date the members of "PVP Ventures Limited" on the Standalone Ind AS Financial Statements as of and for the year ended 31<sup>st</sup> March 2017.

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties that are held in the name of the company.
- (ii) In our opinion and according to the information and explanations given to us, having regard to nature of inventory i.e Land, the physical verification of title deeds, reconciliations with survey numbers of stock in hand and certification of extent of land sold by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause (iii), (iii)(a), (iii)(b) and (iii)(c) of Paragraph 3 of the Order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees given and securities given.
- (v) The Company has not accepted any deposits from the public during this year. Therefore the provisions of clause (v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) Undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited with the appropriate authorities and there have been significant delays.

Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Date of Payment
The Tamilnadu Urban Land Ceiling and Regulation Act, 1978	Urban Land Tax	6,77,637/-	FY 2014-15	Yet to be remitted
The Tamilnadu Urban Land Ceiling and Regulation Act, 1978	Urban Land Tax	9,03,516/-	FY 2015-16	Yet to be remitted
The Tamilnadu Urban Land Ceiling and Regulation Act, 1978	Urban Land Tax	4,51,758/-	April 2016 to September 2016	Yet to be remitted

- (b) According to the information and explanations given to us, the details of dues of Income tax which is not deposited on account of any dispute as on March 31,2017 is given below:-

(Rs. in lakhs)

Nature of Statute	Nature of Dues	Tax Amount Disputed	Period to which Amount Relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	13.24	Assessment Year 2009-10	ITAT, Chennai
The Income Tax Act, 1961	Income Tax	493.43	Assessment Year 2013-14	CIT-A, Chennai
The Income Tax Act, 1961	Penalty	1,276.58	Assessment Year 2008-09	CIT-A, Chennai
The Income Tax Act, 1961	Income Tax	346.40	Assessment Year 2014-15	CIT-A, Chennai

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of principal to the lenders as on the reporting date.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term loans obtained were applied for the purpose for which those were raised.
- (x) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013.
- (Xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Therefore, the provisions of Clause (xii) of Paragraph 3 of the Order are not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of Clause (xiv) of Paragraph 3 of the Order are not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them covered under section 192 of the Companies Act 2013. Therefore, the provisions of Clause (xv) of Paragraph 3 of the Order are not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of Clause (xvi) of Paragraph 3 of the Companies (Auditors Report) Order 2016 are not applicable to the company.

**For Brahmaya & Co.,**  
Chartered Accountants  
Firm Regn. No.0005115

Place : Chennai  
Date : 30<sup>th</sup> May 2017

Sd/-  
**K. Jitendra Kumar**  
Partner  
Membership No.201825

## Annexure B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **PVP Ventures Limited** ("the Company") as of 31<sup>st</sup> March 2017 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

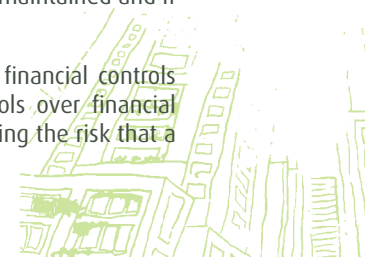
### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting as issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a





material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit procedure performed, the following material weakness has been identified in the operating effectiveness of the company's Internal Financial Controls over Financial Reporting as at 31<sup>st</sup> March 2017:

The company's internal financial controls in respect of supervisory and review controls over process of determining of

- a) Carrying value of the company's non-current investments in its subsidiaries and
- b) Recoverability of loans to its subsidiaries included under Non-current investments.

Absences of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in the carrying value of investments in such subsidiaries and the aforesaid dues from such subsidiaries and consequently, could also impact the profit (financial performance including other comprehensive income) after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the company has, maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on internal control over financial reporting established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the Standalone Ind AS Financial Statements of the Company and we have issued a qualified opinion on the Standalone Ind AS Financial Statements.

Place : Chennai  
Date : 30<sup>th</sup> May 2017

**For Brahmaya& Co.,**  
Chartered Accountants  
Firm Regn. No.000511S

Sd/-  
**K. Jitendra Kumar**  
Partner  
Membership No.201825

## Balance Sheet as at 31st March 2017

(Rs In Lakhs)

Particulars		Note No.	As at Mar 31, 2017	As at Mar 31, 2016	As at April 1, 2015
<b>I</b>	<b>ASSETS</b>				
<b>(1)</b>	<b>Non Current Assets</b>				
	(a) Property, Plant and Equipment	<b>6</b>	268.94	190.24	233.41
	(b) Financial Assets				
	(i) Investments	<b>7</b>	82,199.10	82,012.08	81,180.54
	(ii) Other financial assets	<b>10</b>	161.34	845.34	1,031.92
	<b>Total Financial Asset</b>		<b>82,360.44</b>	<b>82,857.42</b>	<b>82,212.46</b>
	(c) Deferred tax assets (net)		-	-	-
	(d) Other non current assets	<b>11</b>	-	243.90	180.76
	<b>Total Non Current Assets</b>		<b>82,629.38</b>	<b>83,291.56</b>	<b>82,626.63</b>
<b>(2)</b>	<b>Current assets</b>				
	(a) Inventories	<b>12</b>	6,694.94	6,893.45	7,077.51
	(b) Financial Assets				
	(i) Trade receivables	<b>8</b>	623.43	310.74	302.48
	(ii) Loans	<b>9</b>	134.20	134.53	138.54
	(iii) Cash and cash equivalents	<b>13</b>	99.42	32.24	72.29
	(iv) Other financial assets	<b>10</b>	129.47	104.26	52.34
	<b>Total Financial Asset</b>		<b>986.52</b>	<b>581.77</b>	<b>565.65</b>
	(c) Other current assets	<b>11</b>	1,371.54	29.78	9.75
	<b>Total Current Assets</b>		<b>9,053.00</b>	<b>7,505.00</b>	<b>7,652.91</b>
<b>(3)</b>	<b>Non current assets classified as held for sale</b>		-	-	-
	<b>Total Assets</b>		<b>91,682.38</b>	<b>90,796.56</b>	<b>90,279.54</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>				
<b>A</b>	<b>EQUITY</b>				
	(a) Equity Share Capital	<b>14</b>	24,505.27	24,505.27	24,505.27
	(b) Other Equity		37,916.72	35,854.13	35,710.95
	<b>Total Equity</b>		<b>62,421.99</b>	<b>60,359.40</b>	<b>60,216.22</b>
<b>B</b>	<b>LIABILITIES</b>				
<b>(1)</b>	<b>Non Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	<b>15</b>	13,350.32	13,308.22	13,313.50
	<b>Total Financial Liabilities</b>		<b>13,350.32</b>	<b>13,308.22</b>	<b>13,313.50</b>
	(b) Provisions	<b>18</b>	8.22	12.61	16.76
	(c) Deferred tax liabilities (Net)		-	-	-
	(d) Other non current liabilities	<b>19</b>	5,820.81	8,152.57	8,216.46
	<b>Total Non Current Liabilities</b>		<b>19,179.35</b>	<b>21,473.40</b>	<b>21,546.72</b>
<b>(2)</b>	<b>Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	<b>15</b>	1,012.31	1,048.40	1,049.84
	(ii) Trade payables	<b>16</b>	76.88	37.42	547.57
	(iii) Other financial liabilities	<b>17</b>	3,957.94	2,476.09	523.68
	<b>Total Financial Liabilities</b>		<b>5,047.13</b>	<b>3,561.91</b>	<b>2,121.09</b>
	(b) Other current liabilities	<b>19</b>	4,952.81	5,345.77	6,338.56
	(c) Provisions	<b>18</b>	81.10	56.08	56.95
	<b>Total Current Liabilities</b>		<b>10,081.04</b>	<b>8,963.76</b>	<b>8,516.60</b>
<b>(3)</b>	<b>Liabilities associated with non current assets held for sale</b>		-	-	-
	<b>Total Equity and Liabilities</b>		<b>91,682.38</b>	<b>90,796.56</b>	<b>90,279.54</b>

## Summary of Significant Accounting Policies

The accompanying notes and other explanatory information are an integral part of the Financial Statements.  
As per our report of even date.

**For Brahmayya & Co**  
Chartered Accountants  
Firm.Reg.No. 0005115

**For and on behalf of the Board of Directors**

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

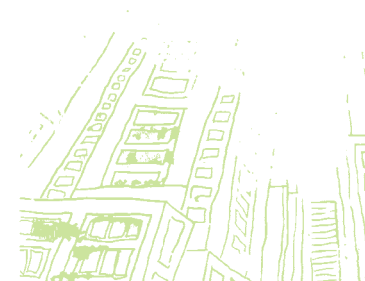
**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

**Sd/-**  
**R NAGARAJAN**  
Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary

Place : Chennai  
Date : May 30, 2017

Place : Chennai  
Date : May 30, 2017



## Statement of Profit and Loss for the year ended 31st March 2017

(Rs In Lakhs)

Particulars		Note	For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
<b>I</b>	<b>Income</b>			
	Revenue from Operations	20	3,766.53	1,852.12
	Other Income	21	67.11	900.28
	<b>Total Income</b>		<b>3,833.64</b>	<b>2,752.40</b>
<b>II</b>	<b>Expenses</b>			
	Change in inventories of stock in trade	22	198.52	184.06
	Employee Benefit Expenses	23	271.08	327.99
	Finance Costs		1,936.79	1,960.35
	Depreciation and Amortisation		59.02	54.23
	Other Expenses	24	352.99	421.06
	<b>Total Expenses</b>		<b>2,818.40</b>	<b>2,947.69</b>
<b>III</b>	<b>Profit Before Tax and Exception items (i-ii)</b>		<b>1,015.24</b>	<b>(195.29)</b>
<b>IV</b>	Exceptional Items	25	-	350.89
<b>V</b>	<b>Profit/ (Loss) Before Tax (iii+iv)</b>		<b>1,015.24</b>	<b>155.60</b>
	<b>Tax Expenses</b>			
	Current Tax		289.78	21.71
	Less: MAT Credit		(83.34)	(21.71)
	Deferred Tax		-	-
	MAT Credit for Earlier Years		(1,258.58)	-
<b>VI</b>	<b>Total</b>		<b>(1,052.14)</b>	<b>-</b>
<b>VII</b>	<b>Profit (Loss) for the Period (V -VI)</b>		<b>2,067.38</b>	<b>155.60</b>
<b>VIII</b>	<b>Other Comprehensive income, net of tax</b>			
	<b>A. (i) Item that will not be reclassified to profit or Loss</b>			
	Remeasurement of defined benefit obligation		7.16	12.42
	Less: Income tax expense		(2.37)	-
	Other Comprehensive income for the year, net of tax		<b>4.79</b>	<b>12.42</b>
<b>IX</b>	<b>Total Comprehensive income for the year, net of tax (VIII+IX)</b>		<b>2,062.59</b>	<b>143.19</b>
	Earnings per equity share of nominal value of Rs.10 each			
	Basic and Diluted		<b>0.84</b>	<b>0.06</b>

### Summary of Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements  
As per our report of even date.

**For Brahmayya & Co**  
Chartered Accountants  
Firm.Reg.No. 0005115

**For and on behalf of the Board of Directors**

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

**Sd/-**  
**R NAGARAJAN**  
Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary

Place : Chennai  
Date : May 30, 2017

Place : Chennai  
Date : May 30, 2017

## Cash Flow Statement for the year ended 31st March 2017

(Rs In Lakhs)

Particulars		For the year ended 31st March 2017	For the year ended 31st March 2016
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit / (Loss) before Tax	1,015.24	155.60
	<b>Adjustments for:</b>		
	Depreciation and Amortization	59.02	54.23
	(Profit) / Loss on Sale of Non-Current Investments	0.05	-
	(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property	-	0.02
	Interest on Staff Loans Written off	4.63	-
	Provision for Employee Benefits	(37.91)	(17.42)
	Interest Income	(36.12)	(899.87)
	Interest Expenses	1,936.79	1,960.35
	<b>Cash Generated Before Working Capital Changes</b>	<b>2,941.70</b>	<b>1,252.91</b>
	<b>Movement In Working Capital</b>		
	Increase / (Decrease) in Trade Payables	39.45	(510.14)
	Increase / (Decrease) in Other Financial Liabilities	(502.42)	27.47
	Increase / (Decrease) in Other Liabilities	(2,724.72)	(1,056.68)
	(Increase) / Decrease in Trade Receivables	(312.70)	(8.26)
	(Increase) / Decrease in Inventories	198.52	184.06
	(Increase) / Decrease in Other Financial Assets	684.34	190.59
	(Increase) / Decrease in Other Assets	(0.21)	1.67
	Cash Generated From Operations	<b>323.96</b>	<b>81.62</b>
	Direct Taxes Paid	31.03	(0.05)
	Net Cash Flow From / (Used in) Operating Activities	<b>354.99</b>	<b>81.57</b>
<b>B.</b>	<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>		
	Purchase of PPE, Intangible Assets and Investment Property	(137.72)	(11.28)
	Proceeds from Sale of PPE, Intangible Assets and Investment Property	-	0.20
	Investments made in - Subsidiaries	(186.97)	(68.41)
	Interest Income Received	2.95	0.01
	Net Cash Flow From / (Used in) Investing Activities	<b>(321.74)</b>	<b>(79.48)</b>
<b>C.</b>	<b>CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>		
	Proceeds from/(to) Short - Term Borrowings (Net)	(36.09)	(1.44)
	Proceeds from Long Term Borrowings	114.00	-
	Repayment of Long Term Borrowings	(34.10)	(7.26)
	Interest Paid	(9.88)	(33.44)
	Net Cash Flow From / (Used in) Financing Activities	<b>33.93</b>	<b>(42.14)</b>
	Net Increase / (Decrease) in Cash and Cash Equivalents(A+B+C)	67.18	(40.05)
	Cash and Cash Equivalents at the beginning of the year	32.24	72.29
	Cash and Cash Equivalents at the end of the year	<b>99.42</b>	<b>32.24</b>
	<b>Components of Cash and Cash Equivalents</b>		
	Cash on Hand	0.14	0.04
	Balances with Banks		
	- in Current Accounts and Deposits Accounts	99.28	32.20
	Cash and cash Equivalent (As per Note 13)	<b>99.42</b>	<b>32.24</b>

## Notes:

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Cash Flow Statements.
- Previous year's figures have been regrouped and reclassified to conform to those of the current year.

## Summary of Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements  
As per our report of even date.

**For Brahmayya & Co**  
Chartered Accountants  
Firm.Reg.No. 000511S

**For and on behalf of the Board of Directors**

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

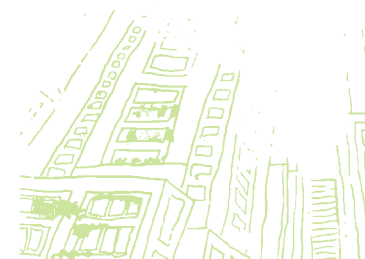
**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

**Sd/-**  
**R NAGARAJAN**  
Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary

Place : Chennai  
Date : May 30, 2017

Place : Chennai  
Date : May 30, 2017



## Statement of Changes in Equity for the year ended 31st March 2017

(Rs In Lakhs)

Particulars	Equity Share Capital	Other Equity				Total Equity attributable to equity holders of the company
		Reserves and Surplus			Other Comprehensive Income	
		Security Premium Reserve	Retained Earnings	Business Transition Adjustment Reserve	Other Items of Other Comprehensive Income	
<b>Balance as on 01st April 2015</b>	<b>24,505.27</b>	<b>77,511.10</b>	<b>(37,245.64)</b>	<b>(4,554.51)</b>	<b>-</b>	<b>35,710.95</b>
<b>Changes in Equity for the year ended March 31, 2016</b>						
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	(12.42)	(12.42)
Profit for the period		-	155.60	-	-	155.60
<b>Balance as on 31st March 2016</b>	<b>24,505.27</b>	<b>77,511.10</b>	<b>(37,090.04)</b>	<b>(4,554.51)</b>	<b>(12.42)</b>	<b>35,854.13</b>
<b>Changes in Equity for the year ended March 31, 2017</b>						
Remeasurement of the net defined benefit liability/ asset , net of tax effect	-	-	-	-	(4.79)	(4.79)
Profit for the period	-	-	2,067.38	-	-	2,067.38
<b>Balance as on 31st March 2017</b>	<b>24,505.27</b>	<b>77,511.10</b>	<b>(35,022.65)</b>	<b>(4,554.51)</b>	<b>(17.21)</b>	<b>37,916.72</b>

## Summary of Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For Brahmayya & Co**  
Chartered Accountants  
Firm.Reg.No. 0005115

**For and on behalf of the Board of Directors**

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

**Sd/-**  
**R NAGARAJAN**  
Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary

Place : Chennai  
Date : May 30, 2017

Place : Chennai  
Date : May 30, 2017

## Summary of significant accounting policies and other explanatory information to the Standalone Ind AS Financial Statements for the year ended 31st March 2017

### 1. Corporate Information

PVP Ventures Limited ('the Company') is a public limited company incorporated and domiciled in India. The Company shares are listed on two stock exchanges in India. The registered office of the Company is located at Door No:2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai, Tamilnadu – 600031. The Company is engaged in the business of developing urban infrastructure and investments in various ventures.

The Standalone Ind AS Financial Statements of the Company for the year ended 31<sup>st</sup> March 2017 were authorised for issue in accordance with resolution of the Board of Directors on 30<sup>th</sup> May 2017.

### 2. Significant Accounting Policies

#### Basis of Preparation of Financial Statements

These financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the companies act, 2013, ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs as per the requirement of schedule III, unless otherwise stated.

The Company has adopted all the Ind AS Standards and the adoptions was carried out in accordance with **Ind AS 101 First Time adoption of Indian Accounting Standards**. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under sec 133 of the companies act read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hither to in use.

All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in **Ind AS 1 Presentation of Financial Statements** and **Schedule III to the Companies Act, 2013**.

#### a) Current/ Non Current Classification

An asset is classified as current when

- 1) It is expected to be realized or consumed in the Company's normal operating cycle;
- 2) It is held primarily for the purpose of trading;
- 3) It is expected to be realized within twelve months after the reporting period; or
- 4) If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Any asset not confirming to the above is classified as non-current.

A liability is classified as current when

- 1) It is expected to be settled in the normal operating cycle of the Company;
- 2) It is held primarily for the purpose of trading;
- 3) It is expected to be settled within twelve months after the reporting period; or
- 4) The Company has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Any liability not conforming to the above is classified as noncurrent.

#### b) Functional and Presentation Currency

The financial statements are presented in Indian currency (INR), being the functional and presentation currency. Being the currency of the primary economic environment in which the company operate.

#### c) Property, Plant and Equipment:

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all direct costs relating to acquisition and installation of Property, Plant and Equipment and borrowing cost relating to qualifying assets. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is charged to profit or loss so as to write off the cost of assets less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of the depreciable assets are as follows:

<b>Class of Assets</b>	<b>Estimated Useful Life</b>
Plant and Equipment	5 years
Furniture and Fixtures	10 years
Vehicles	8 years
Computers and related Assets	3 years
Office Equipment	3 years

An item of property, plant and equipment is derecognized upon disposal or when no future



economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**d) Impairment of Property, Plant & Equipment:**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

**e) Foreign Currency Translation:**

**Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Subsequent Measurement**

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates

that existed when the values were the fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of other monetary items are recognised in the Statement of Profit and Loss.

**f) Assets taken on lease:**

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All the other leases are classified as operating leases.

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on a straight-line basis, unless another basis is more representative of the time pattern of benefits received from the use of the assets taken on lease or the payments of lease rentals are in line with the expected general inflation compensating the lessor for expected inflationary cost. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

Assets held under finance lease are capitalised at the inception of the lease, with corresponding liability being recognised for the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Lease payments are apportioned between the reduction of the lease liability and finance charges in the statement of Profit or Loss so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term.

**g) Inventories**

Inventories constitute land and related development activities, which are valued at Cost or Net Realizable Value whichever is lower. Cost comprises of all expenses incurred for the purpose of acquisition of land, development of the land and other related direct expenses.

**h) Financial Instruments**

**1) Initial Recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**2) Subsequent measurement**

**i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset

in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

**iii) Financial Assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit or loss.

**iv) Investment in Subsidiaries**

Investments in subsidiaries are carried at cost in accordance with Ind AS 27 Separate Financial Statements.

**v) Financial Liability**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

**3) Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**4) Impairment of Assets**

**Financial Assets (other than at fair value):**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires

expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**5) Fair value of Financial Instruments**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

**Fair value hierarchy:**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1:** Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

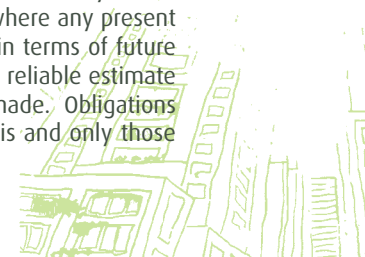
**Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**i) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those





having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

#### j) Revenue Recognition

The Company recognises revenue on accrual basis. Revenue from sale of undivided share of land is recognised upon transfer of all significant risks and rewards of ownership.

Revenue from dividend is recognised upon right to receive the dividend is established.

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable as per the agreements.

#### k) Employee Benefits

##### 1) Gratuity

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on projected unit credit method as at balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to profit or loss. As required under Ind AS complaint schedule III, the Company transfers it immediately to retained earnings.

##### 2) Compensated Absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Non-accumulating compensated absences are recognised in the period in which the absences occur.

##### 3) Other Benefit Plans

Contributions paid/payable under defined contributions plans are recognised in the statement of Profit or Loss in each year. Contribution plans primarily consist of Provident Fund administered and managed by the Government of India. The Company makes monthly contributions and has no further obligations under the plan beyond its contributions.

#### l) Taxes on Income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in

which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

##### 1) Current Income Tax

Current Income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

##### 2) Deferred Income Tax

Deferred Income tax is recognised using balance sheet approach. Deferred tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred Income tax assets are recognised for all deducted temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred Income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

##### m) Borrowing Costs

Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

##### n) Earnings per Share

Basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**o) Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

**p) Exceptional Items**

When items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

**q) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Urban Infrastructure". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

**3. Critical accounting estimates and judgments**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements

in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

• **Valuation of investment in/loans to subsidiaries**

The company has performed valuation for its investments in equity of certain subsidiaries for assessing whether there is any impairment in the fair value. When the fair value of investment in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques including the discounted cash flow model. Similar assessment is carried for exposure of the nature of loans thereon. The inputs to these models are taken from observable markets where possible, but where is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.

• **Useful lives of property, plant and equipment and intangible assets:**

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.

• **Impairment testing:**

Property, plant and equipment are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

• **Income Taxes:**

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and their tax charge in the statement of profit or loss.

• **Provision for tax liabilities require judgements on**

the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss.



- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

#### 4. Standards issued but not yet effective:

As per Companies (Indian Accounting Standards) (Amendment) Rules, 2017 dated 17th March 2017 MCA has notified amendments to two new standards namely Ind AS 102 - Share-based Payment and Ind AS 7 - Statement of Cash Flows which will be effective from 1st April 2017.

During current year, there are no share based payments transactions occurred and hence Ind AS 102 is not applicable to the company. Further, amendment to Ind AS 7 pertains to additional disclosure requirement such as "An entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes". The Company has not opted for early adoption of the above amendments and will not have any material impact on the financial statements of the Company when adopted.

#### 5. Disclosures as required by Indian Accounting Standard (Ind AS) 101 first time adoption of Indian accounting standard.

These standalone financial statements of the Company for the year ended 31<sup>st</sup> March 2017 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 – First Time adoption of Indian Accounting Standard, with 01<sup>st</sup> April 2015 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note No 2 have been applied in preparing the Standalone Ind AS Financial Statements for the year ended 31<sup>st</sup> March 2017 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit or Loss and Statement of Cash Flows is set out in Note 5.2 Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in 5.1.

#### 5.1 Exemptions availed on first time adoption of Ind AS 101

On first time adoption of Ind AS, Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions.

##### a. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies), unless there is an objective evidence that those estimates were in error. Ind AS estimates as at 01<sup>st</sup> April 2015 and 31<sup>st</sup> March 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

b. Ind AS 103 Business Combinations has not been applied to acquisitions, which are considered businesses under Ind AS that occurred before 01<sup>st</sup> April 2015. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that were required to be recognised under Ind AS, is their deemed cost at the date of acquisition, measurement is in accordance with respective Ind AS. The Company did not recognise or exclude any previously recognised amounts as a result of Ind AS recognition requirements.

c. The Company has elected to avail the exemption under Ind AS 101 to use Indian GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment as per the statement of financial position prepared in accordance with previous GAAP.

##### d. Ind AS 27 Separate Financial Statements:

The Company has elected to avail the exemption under Ind AS 101 to use Indian GAAP carrying value of the investments in subsidiaries at deemed cost determined in accordance with Ind AS 27 Separate Financial Statements.

##### e. Fair value of Financial Assets and Liabilities:

As per the Ind AS exemption, the Company has not Fair Valued the Financial Assets and Liabilities retrospectively and has measured the same prospectively.

## 5.2. Reconciliations

The following Reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

### 5.2.1. Reconciliation of Equity as previously reported under IGAAP to Ind AS.

Particulars	Refer Note No	Balance sheet as at 31 March 2016			Opening balance sheet as at 1 April 2015		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
<b>Assets:</b>							
<b>Non-Current Assets</b>							
Property, Plant and Equipment		190.24	-	190.24	233.41	-	233.41
Other Intangible assets	1	3,036.59	3,036.59	-	4,554.51	4,554.51	-
<b>Financial Assets</b>							
Investments	4	28,328.52	(53,683.56)	82,012.08	28,013.52	(53,167.02)	81,180.54
Loans	4	53,683.56	53,683.56	-	53,167.02	53,167.02	-
Other Financial Assets		845.34	-	845.34	1,031.92	-	1,031.92
Other non-current Assets		243.90	-	243.90	180.76	-	180.76
<b>Total Non Current Assets</b>		<b>86,328.15</b>	<b>3,036.59</b>	<b>83,291.56</b>	<b>87,181.14</b>	<b>4,554.51</b>	<b>82,626.63</b>
<b>Current Assets</b>							
Financial Assets							
Inventory		6,893.45	-	6,893.45	7,077.51	-	7,077.51
Trade receivables		310.74	-	310.74	302.48	-	302.48
Loans		134.53	-	134.53	138.54	-	138.54
Cash and cash equivalents		32.24	-	32.24	72.29	-	72.29
Other Financial Assets		104.26	-	104.26	52.34	-	52.34
Other current assets		29.78	-	29.78	9.75	-	9.75
<b>Total Current Assets</b>		<b>7,505.00</b>	<b>-</b>	<b>7,505.00</b>	<b>7,652.91</b>	<b>-</b>	<b>7,652.91</b>
<b>Total Assets</b>		<b>93,833.15</b>	<b>3,036.59</b>	<b>90,796.56</b>	<b>94,834.05</b>	<b>4,554.51</b>	<b>90,279.54</b>
<b>Equity &amp; Liabilities:</b>							
<b>Equity</b>							
Equity Share Capital		24,505.27	-	24,505.27	24,505.27	-	24,505.27
Other equity	5.2.3	38,853.73	2,999.60	35,854.13	40,265.46	4,554.51	35,710.95
<b>Total Equity</b>		<b>63,359.00</b>	<b>2,999.60</b>	<b>60,359.40</b>	<b>64,770.73</b>	<b>4,554.51</b>	<b>60,216.22</b>
<b>Non-Current Liabilities</b>							
Financials Liabilities							
Borrowings		13,308.22	-	13,308.22	13,313.50	-	13,313.50
Provisions		12.61	-	12.61	16.76	-	16.76
Deferred Tax Liability		-	-	-	-	-	-
Other Liabilities		8,152.57	-	8,152.57	8,216.46	-	8,216.46
<b>Total Non Current Liabilities</b>		<b>21,473.40</b>	<b>-</b>	<b>21,473.40</b>	<b>21,546.72</b>	<b>-</b>	<b>21,546.72</b>
<b>Current liabilities</b>							
Financial Liabilities							
Borrowings		1,048.40	-	1,048.40	1,049.84	-	1,049.84
Trade Payable		37.42	-	37.42	547.57	-	547.57
Other financial liabilities		2,476.09	-	2,476.09	523.68	-	523.68
Other Liabilities		5,345.77	-	5,345.77	6,338.56	-	6,338.56
Provisions	3	93.07	36.99	56.08	56.95	-	56.95
<b>Total Current Liabilities</b>		<b>9,000.75</b>	<b>36.99</b>	<b>8,963.76</b>	<b>8,516.60</b>	<b>-</b>	<b>8,516.60</b>
<b>Total Equity &amp; Liabilities</b>		<b>93,833.15</b>	<b>3,036.59</b>	<b>90,796.56</b>	<b>94,834.05</b>	<b>4,554.51</b>	<b>90,279.54</b>

### 5.2.2. Reconciliation statement of Profit and Loss as previously reported under IGAAP to IndAS

Particulars	Refer Note No	Year ended 31 March 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations		1,852.12	-	1,852.12
Other income		900.28	-	900.28
<b>Total Income (i)</b>		<b>2,752.40</b>	<b>-</b>	<b>2,752.40</b>
<b>Expenses</b>				
Change in inventories of finished goods, work in progress and stock in trade		184.06	-	184.06
Employee Benefits Expense	2	340.41	12.42	327.99
Finance Costs		1,960.35	-	1,960.35

Depreciation		54.23	-	54.23
Other Expenses		458.04	36.98	421.06
<b>Total Expenses (ii)</b>	<b>3</b>	<b>2,997.09</b>	<b>49.40</b>	<b>2,947.69</b>
<b>Profit Before Tax and Exception items (iii) = (i)-(ii)</b>		(244.69)	(49.40)	(195.29)
Exceptional Items (iv)		350.89	-	350.89
<b>Profit / (Loss) Before Tax (iii+iv)</b>		<b>106.20</b>	<b>(49.40)</b>	<b>155.60</b>
(1) Current tax		21.71	-	21.71
Less: MAT Credit		(21.71)	-	(21.71)
(2) Deferred tax		-	-	-
<b>Income tax expense</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit / (loss) for the period</b>		<b>106.20</b>	<b>(49.40)</b>	<b>155.60</b>
<b>Other Comprehensive Income</b>				
Items that will not be reclassified to profit or loss			-	
Re-measurement gains (losses) on defined benefit plans		-	12.42	(12.42)
Income tax effect				
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>106.20</b>	<b>(36.98)</b>	<b>143.18</b>

### 5.2.3. Reconciliation of Total Equity as at 31st March 2016 and 01st April 2015

Particulars	Explanation Note No	As at 31 <sup>st</sup> March 2016	As at 01 <sup>st</sup> April 2015
Total Equity (Shareholders Fund) under Previous GAAP		63,359.01	64,770.73
Adjustments:			
Goodwill written off as on 01.04.2015	1	(4,554.51)	(4,554.51)
Amortised Goodwill for the period ended 31 <sup>st</sup> March 2016	1	1,517.92	-
Other Adjustments	3	36.98	-
<b>Total Equity under Ind AS</b>		<b>60,359.40</b>	<b>60,216.22</b>

### 5.2.4. Reconciliation of Profit After Tax (PAT) as previously reported under GAAP vs Ind AS

Particulars	For the year ended 31 <sup>st</sup> March 2016
<b>Net Profit/(Loss) after tax as previous Indian GAAP</b>	<b>106.18</b>
<b>Increased in Profit is due to</b>	
Remeasurements of employment benefit obligation	12.42
Other Adjustments	36.98
<b>Net Profit / (Loss) after Tax before OCI as per the IND AS</b>	<b>155.58</b>

#### Explanation Notes

##### Note No 1: Business Transition Adjustment Reserve

Consequent upon merger of erstwhile PVP Ventures Private Limited with the Software Solution Integrated Limited (SSI Limited), goodwill of Rs.15,179.21 Lakhs was created which represents the excess of liabilities over assets taken over on merger. In terms of the Scheme of Amalgamation and the decision of the Board, it is being written off in a phased manner over a period of 10 Years beginning 01st April 2008. As on Transition date i.e 01/04/2015, Balance goodwill amounting to Rs.4,554.51 Lakhs was written off as Business Transition Adjustment Reserve.

##### Note No 2: Net Gain/ (loss) on fair value of defined benefit plans

The company has recognised remeasurement gains/(loss) on defined benefit plans in Other Comprehensive Income. These changes are accumulated within the Other Comprehensive Income reserve within other equity.

##### Note No 3: Other Adjustments

The company derecognises the Corporate Social Responsibility Expenditure as per Ind AS 101 "First time adoption of Indian Accounting Standards".

##### Note No 4: Fair Value of Loans in subsidiaries

Under Ind AS, Loans are valued at present value as compared to being carried at cost in the previous GAAP. This adjustment includes the difference between the book value and the present value of an interest free loan or loan below market rate given to subsidiary companies, which is treated as investments in subsidiaries.

### 5.2.5. Statement of Cash flows

There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind As

## Notes to the Standalone Financial Statements for the year ended 31st March 2017

## Note No 6: PROPERTY, PLANT &amp; EQUIPMENT

(Rs In Lakhs)

Particulars	Plant & Machinery	Computers & Related Assets	Furniture & Fixtures	Vehicles	Office Equipments	Total
<b>Gross Block</b>						
<b>As at 01st April 2015</b>	<b>2.35</b>	<b>11.14</b>	<b>73.43</b>	<b>54.59</b>	<b>91.90</b>	<b>233.41</b>
Additions	-	10.32	-	0.63	0.33	11.28
Deletions	-	(0.75)	-	-	(0.25)	(1.00)
<b>As at 31st March 2016</b>	<b>2.35</b>	<b>20.71</b>	<b>73.43</b>	<b>55.22</b>	<b>91.98</b>	<b>243.69</b>
Additions	0.63	0.75	-	136.34	-	137.72
Disposals	-	-	-	-	-	-
<b>As at 31st March 2017</b>	<b>2.98</b>	<b>21.46</b>	<b>73.43</b>	<b>191.56</b>	<b>91.98</b>	<b>381.41</b>
<b>Depreciation</b>						
<b>For the period 2015-16</b>						
Charges for the period	0.32	5.72	10.71	10.95	26.53	54.23
on disposals	-	(0.54)	-	-	(0.24)	(0.78)
<b>As at 31st March 2016</b>	<b>0.32</b>	<b>5.18</b>	<b>10.71</b>	<b>10.95</b>	<b>26.29</b>	<b>53.45</b>
<b>For the period 2016-17</b>						
Charges for the period	0.43	4.30	10.68	20.41	23.20	59.02
on Disposals	-	-	-	-	-	-
<b>As at 31st March 2017</b>	<b>0.43</b>	<b>4.30</b>	<b>10.68</b>	<b>20.41</b>	<b>23.20</b>	<b>59.02</b>
<b>Net Block</b>						
<b>As at 31st March 2016</b>	<b>2.03</b>	<b>15.53</b>	<b>62.72</b>	<b>44.27</b>	<b>65.69</b>	<b>190.24</b>
<b>As at 31st March 2017</b>	<b>2.23</b>	<b>11.98</b>	<b>52.04</b>	<b>160.20</b>	<b>42.49</b>	<b>268.94</b>

Note: Gross Block as on 01.04.2015 represents deemed cost (Gross Block - Accumulated Depreciation) as per Ind AS 101.

(Rs In Lakhs)

Particulars		As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
<b>Note 7</b>	<b>INVESTMENTS</b>			
	<b>Non-Current Investments</b>			
<b>A.</b>	<b>Investment in equity instruments</b>			
	Investment carried at cost, fully paid up			
	<b>I. Investments in Subsidiaries</b>			
	<b>(i) Quoted</b>			
	Picturehouse Media Limited (PHML)	531.05	531.05	531.05
	33,53,114 (31st March 2016 - 33,53,114, 01st April 2015 - 33,53,114) equity shares of Rs. 10 each.			
	Less: Provision for diminution in value of investment	200.00	200.00	200.00
	<b>(A)</b>	<b>331.05</b>	<b>331.05</b>	<b>331.05</b>
	<b>(ii) Unquoted</b>			
	PVP Corporate Parks Private Limited (PCPL)	50.00	50.00	50.00
	500,000 (31st March 2016 - 5,00,000, 01st April 2015 - 5,00,000) equity shares of Rs.10 each			
	PVP Global Ventures Private Limited (PGPL)	90,302.14	90,325.42	90,676.08
	88,22,869 (31st March 2016 - 88,22,869, 01st April 2015 - 56,02,869) equity shares of Rs.10 each (Refer Point III below)			
	Less: Provision for diminution in value of investment	(35,160.16)	(35,160.16)	(35,160.16)
	New Cyberabad City Projects Private Limited (NCCPPL)	21,944.48	21,944.48	21,919.51
	1,010,000 (31st March 2016 - 1,010,000, 01st April 2015 - 1,010,000) equity shares of Rs.10 each (Refer Point III Below)			
	PVP Media Ventures Private Limited (PMPL)	863.17	862.98	3.55
	19,000 (31st March 2016 - 19,000, 01st April 2015 - 19,000) equity shares of Rs.10 each (Refer Point III below)			
	PVP Island Private Limited (PVPL)	-	-	1.00
	on 01st April 2015 10,000 equity shares of Rs.10 each			
	Blaster Sports Ventures Private Limited (BSVPL)	3,316.52	3,316.52	3,322.52
	on 01st April 2015 60,000 equity shares of Rs.10 each (Refer Point III below)			

## Notes to the Standalone Financial Statements for the year ended 31st March 2017

Particulars		As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
	Safetrunk Services Private Limited (SSPL) 10,000 (31st March 2016 - 10,000, 01st April 2015 - 10,000) equity shares of Rs.10 each (Refer Point III below)	551.90	341.74	36.93
	<b>(B)</b>	<b>81,868.05</b>	<b>81,680.98</b>	<b>80,849.43</b>
	<b>II. Other than Trade in Non Subsidiaries</b>			
	(i) Quoted			
	Aptech Limited 100 equity shares of Rs.10 each paid up	-	0.05	0.05
	<b>(C)</b>	<b>-</b>	<b>0.05</b>	<b>0.05</b>
	<b>Total Non-Current Investments</b>	<b>(A+B+C)</b>	<b>82,199.10</b>	<b>82,012.08</b>
	<b>Aggregate of Non Current Investments</b>			
	Aggregate amount of quoted investments	331.05	331.10	331.10
	Aggregate amount of unquoted investments	1,17,028.21	1,16,841.14	1,16,009.60
	Aggregate amount of impairment in value of investments	(35,160.16)	(35,160.16)	(35,160.16)
		<b>82,199.10</b>	<b>82,012.08</b>	<b>81,180.54</b>
	<b>III. Movement in investments as at 31st March 2017 and 31st March 2016</b>	Investment as at 31 March 2016 (Previous GAAP)	Fair value of Interest free Loan	Investment as at 31 March 2017 (IND AS)
	PVP Global Ventures Private Limited (PGPL)	54,527.00	35,775.14	90,302.14
	New Cyberabad City Projects Private Limited(NCCPL)	101.00	21,843.48	21,944.48
	PVP Media Ventures Private Limited (PMPL)	1.90	861.27	863.17
	Safetrunk Services Private Limited (SSPL)	1.00	550.90	551.90
	Blasteres Sports Ventures Private Limited (BSVPL)	-	3,316.52	3,316.52
	<b>Total</b>	<b>54,630.90</b>	<b>62,347.31</b>	<b>1,16,978.21</b>
	Loan provided to the subsidiary company ie New Cyberabad City Projects Private Limited (NCCPL), has been secured by equitable mortgage on land.			
<b>Note 8</b>	<b>TRADE RECEIVABLES</b>			
	Current			
	Unsecured			
	Considered good	623.43	310.74	302.48
	<b>Total</b>	<b>623.43</b>	<b>310.74</b>	<b>302.48</b>
<b>Note 9</b>	<b>LOANS</b>			
	Current Loans			
	Unsecured and Considered good			
	Staff Advances	134.20	134.53	138.54
		134.20	134.53	138.54
	<b>Total</b>	<b>134.20</b>	<b>134.53</b>	<b>138.54</b>
<b>Note 10</b>	<b>OTHER FINANCIAL ASSETS</b>			
	<b>Non-Current</b>			
	Unsecured and Considered good			
	Security Deposit	21.34	19.84	177.92
	Advance to Others	140.00	825.50	854.00
		161.34	845.34	1,031.92
	<b>Current</b>			
	Unsecured and Considered good			
	Interest Accrued and Due on Fixed Deposit	0.53	0.53	0.53
	Interest Accrued and Due on Staff Loans	65.94	70.57	51.81
	Interest Accrued but not due on debentures	63.00	33.16	-
		129.47	104.26	52.34
	<b>Total</b>	<b>290.81</b>	<b>949.60</b>	<b>1,084.26</b>

## Notes to the Standalone Financial Statements for the year ended 31st March 2017

Particulars		As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
<b>Note 11</b>	<b>OTHER ASSETS</b>			
	<b>Non-Current</b>			
	Unsecured and Considered good Advance Tax (Net of Taxes)	-	243.90	180.76
		-	243.90	180.76
	<b>Current</b>			
	Unsecured and Considered good Prepaid Expenses	8.29	8.08	9.75
	MAT Credit - Tax Credit	1,363.25	21.71	-
		1,371.54	29.78	9.75
	<b>Total</b>	<b>1,371.54</b>	<b>273.68</b>	<b>190.51</b>
<b>Note 12</b>	<b>INVENTORY</b>			
	Inventory of Land (Valued at cost or net realised value which ever is less and as certified by the Management)	6,694.94	6,893.45	7,077.51
		<b>6,694.94</b>	<b>6,893.45</b>	<b>7,077.51</b>
<b>Note 13</b>	<b>CASH AND CASH EQUIVALENTS</b>			
	Balance With Banks			
	In Current and Deposit Accounts	99.28	32.20	72.19
	Cash on Hand	0.14	0.04	0.10
		<b>99.42</b>	<b>32.24</b>	<b>72.29</b>

**Note 14: EQUITY SHARE CAPITAL****(a) Authorised, Issued, Subscribed and Paid-up share capital and par value per share**

(Rs In Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
Authorised Share Capital 30,00,00,000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00	30,000.00
Issued, Subscribed and Paid Up 24,50,52,701 equity shares of Rs. 10/- each	24,505.27	24,505.27	24,505.27
	<b>24,505.27</b>	<b>24,505.27</b>	<b>24,505.27</b>

**(b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:**

Particulars	As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
Number of equity shares outstanding as at the beginning of the year	24,50,52,701	24,50,52,701	24,50,52,701
Add: Number of Shares allotted during the year	-	-	-
Less: Number of Shares bought back	-	-	-
Number of equity shares outstanding as at the end of the year	<b>24,50,52,701</b>	<b>24,50,52,701</b>	<b>24,50,52,701</b>

**(c) Shares in the company held by each shareholder holding more than 5%:**

Name of shareholder	As at 31st March 2017		As at 31st March 2016		As at 01st April 2015	
	No of Shares held	% of holding	No of Shares held	% of holding	No of Shares held	% of holding
Platex Limited	13,26,12,766	54.12	13,26,12,766	54.12	13,26,12,766	54.12
SSG India Opportunities I Limited	245,05,270	10.00	245,05,270	10.00	245,05,270	10.00

(d) 13,409,314 equity shares of Rs.10 each fully paid-up in cash has been issued to Platex Limited upon conversion of 27,355 FCDs of Rs.100,000 each at conversion price of Rs.204 per share in terms of the Scheme of Amalgamation during 2010-11.

**(e) Terms / Rights attached to Equity Shares (eg. Dividend rights, Voting Rights)**

The company has only one class of equity shares having a par value of Rs 10/- Per share. Each Holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the proportion to the number of equity shares held by the shareholders.

(f) The company does not have any Bonus Shares Issued, Share issued for consideration other than Cash and Shares bought back during the period of five years immediately preceding the reporting date (31.03.2017)

(g) The company does not issued any shares under options.





## Notes to the Standalone Financial Statements for the year ended 31st March 2017

Particulars		As at 31-03-2017	As at 31-03-2016	As at 01-04-2015
<b>Note 15</b>	<b>BORROWINGS</b>			
	<b>Non-Current</b>			
	<b>Secured</b>			
	From Banks – Vehicle Loans	104.40	24.50	31.76
	Current Maturity of Long Term Debt (Refer Note 17)	43.08	5.28	7.26
		<b>61.32</b>	<b>19.22</b>	<b>24.50</b>
	<b>Unsecured</b>			
	Debentures	13,289.00	13,289.00	13,289.00
	13,289, 14.5% Redeemable Fully Convertible Debentures (FCDs) of Rs.100,000 each.			
		<b>13,350.32</b>	<b>13,308.22</b>	<b>13,313.50</b>
	<b>Current</b>			
	<b>Unsecured</b>			
	From Subsidiary Company	1,012.31	1,048.40	1,049.84
		1,012.31	1,048.40	1,049.84
	<b>Total</b>	<b>14,362.63</b>	<b>14,356.62</b>	<b>14,363.34</b>
	(a) Vehicle Loans are secured by way of Hypothecation of respective vehicles and the interest varies from 9% to 12% p.a and repayable in 3 to 7 years in monthly instalments.			
	(b) The debenture holders has extended the conversion/redemption option for a period of three years from 31st March 2016 i.e 31st March 2019 and the debenture holders has extended the time limit for payment of interest accrued on or before 30th September 2017.			
	(c) The company has availed an interest free unsecured loan from subsidiary company which is repayable on demand.			
<b>Note 16</b>	<b>TRADE PAYABLES</b>			
	Sundry Creditors for services	76.88	37.42	547.57
		<b>76.88</b>	<b>37.42</b>	<b>547.57</b>
<b>Note 17</b>	<b>OTHER FINANCIAL LIABILITIES</b>			
	<b>Current</b>			
	Current maturity of Long Term Debt	43.08	5.28	7.26
	Interest accrued but not due Debentures	3,853.81	1,926.91	-
	Salaries Payable	34.97	30.18	2.70
	Provision for Expenditure	26.09	513.72	513.72
	<b>Total</b>	<b>3,957.94</b>	<b>2,476.09</b>	<b>523.68</b>
<b>Note 18</b>	<b>PROVISIONS</b>			
	<b>Non-Current</b>			
	<b>Provision for Employee Benefits</b>			
	Gratuity	8.22	12.61	16.76
	Compensated Absences	-	-	-
		8.22	12.61	16.76
	<b>Current</b>			
	Provision for Employee Benefits			
	Gratuity	0.36	0.43	0.69
	Compensated Absences	9.79	55.65	56.26
	Provision for Income Tax (Net of Advance Tax & Tax deducted at source)	70.95	-	-
		81.10	56.08	56.95
	<b>Total</b>	<b>89.32</b>	<b>68.69</b>	<b>73.71</b>
<b>Note 19</b>	<b>OTHER LIABILITIES</b>			
	<b>Non-Current</b>			
	Security Deposit from Developer	5,820.81	8,152.57	8,216.46
		5,820.81	8,152.57	8,216.46
	<b>Current</b>			
	Advance received for sale of land (inventory)	4,894.38	5,312.53	6,251.03
	Statutory Liabilities payable	58.43	33.24	87.53
		4,952.81	5,345.77	6,338.56
	<b>Total</b>	<b>10,773.62</b>	<b>13,498.34</b>	<b>14,555.02</b>

## Notes to the Standalone Financial Statements for the year ended 31st March 2017

Particulars		For the year ended 31-03-2017	For the year ended 31-03-2016
<b>Note 20</b>	<b>REVENUE FROM OPERATIONS</b>		
	Income from Real Estate	2,695.53	1,852.12
	Other Operating Income	1,071.00	-
		<b>3,766.53</b>	<b>1,852.12</b>
<b>Note 21</b>	<b>OTHER INCOME</b>		
	Interest income	36.12	899.87
	Miscellaneous Income	30.99	0.41
		<b>67.11</b>	<b>900.28</b>
<b>Note 22</b>	<b>CHANGES IN INVENTORY</b>		
	Opening Stock of Land	6,893.45	7,077.51
	Add: Current year Expenses	-	-
		<b>6,893.45</b>	<b>7,077.51</b>
	Less: Closing Stock of Land	6,694.94	6,893.45
		<b>198.52</b>	<b>184.06</b>
<b>Note 23</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries and wages	264.44	312.68
	Contribution to provident fund and other funds	3.11	5.15
	Staff welfare expenses	3.53	7.47
	Retirement Benefits	-	2.69
		<b>271.08</b>	<b>327.99</b>
<b>Note 24</b>	<b>OTHER EXPENSES</b>		
	Rent	68.97	65.52
	Power and Fuel charges	9.75	13.22
	Communication Expenses	10.47	10.54
	Legal, Professional and consultancy Charges	134.45	118.97
	Books and Periodicals	0.34	0.19
	Insurance		
	- For Employees	6.05	8.12
	- For Vehicles	1.48	1.67
	Printing and Stationery	14.01	21.95
	Postage and Telegrams	2.51	5.72
	Listing Fees and Others Expenses	15.27	15.98
	Security Charges	7.29	7.39
	Office Expenses	20.58	31.00
	Directors Sitting Fees	3.42	4.63
	Repairs and Maintenance		
	- For Others	13.01	42.59
	Rates and taxes	10.47	11.69
	Payment to statutory auditors		
	for statutory audit	12.50	14.05
	for tax audit	2.50	2.81
	for certification	3.00	3.65
	Bank Charges and Commission	0.77	0.22
	Travelling Expenses and Conveyance	10.85	40.45
	Loss on sale of Asset	-	0.02
	Miscellaneous expenses	0.62	0.70
	Investments Written off	0.05	-
	Interest on Staff Loans Written off	4.63	-
		<b>352.99</b>	<b>421.06</b>
<b>Note 25</b>	<b>EXCEPTIONAL ITEMS</b>		
	Income from Liabilities Written off	-	(387.88)
	Prior period Expenses	-	33.50
	Advances and Investments written off	-	3.49
		-	<b>(350.89)</b>



## Summary of significant accounting policies and other explanatory information to the Standalone Ind AS Financial Statements for the year ended 31st March 2017

### 26. NOTES TO ACCOUNTS

#### 26.1 Joint Development Agreement

The Company, being the Land owner has signed an Joint Development Agreement(JDA) on 6<sup>th</sup> April 2011 with the Developer, North Town Estates Private Limited for development of land of approximately 70 Acres (1,259.90 grounds). The company received Security deposit of Rs. 10,000 Lakhs in the year 2011 for the same.

Since there were delays in execution of the "North Town" project, the Company negotiated and modified the terms and conditions of the JDA vide Amendment dated 04th May 2016 whereby the Developer released 20 acres (343.69 Grounds) undeveloped land back to the Company. It was agreed by the company that the proportionate Security Deposit of Rs.3,161.13 Lakhs will be returned to the Developer against the future collections.

Further, on 27th April, 2017, the company entered into a Development Management Agreement (DMA) with M/s. Arihant Foundations and Housing Limited to develop residential lay out with infrastructure and amenities in the land released by the developer i.e 20 Acres.

#### 26.2 Lease Rentals

The Company has entered into operating lease agreements for office premises and an amount of Rs. 68.97 lakhs (2016: Rs. 65.52 lakhs) paid under such agreement have been charged to statement of Profit & Loss.

The details with regard to operating lease obligations with respect to Office premises are as under.

(Rs. in Lakhs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Due within 1 year from the Balance Sheet date	65.73	61.61
Due between 1 and 5 years	108.35	168.94
Due after 5 years	Nil	Nil

#### 26.3 Micro, Small and Medium Enterprises (MSME)

The Company has not received any intimation from suppliers, regarding their status, under Micro, Small and Medium Enterprises Development Act, 2006 and hence the required disclosures such as amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been given.

#### 26.4 Corporate Social Responsibilities Expenditure (CSR)

(Rs. in Lakhs)

Sl. No	Particulars	For the year ended 31 <sup>st</sup> March 2017	For the year ended 31 <sup>st</sup> March 2016
1	Average Net Profits of the Company for last three financial years	528.98	1,848.79
2	Prescribed CSR Expenditure (@2% on Average Net profit of last 3 Financial Years)	10.58	36.98
3	Unspent Amount of the Previous year	36.98	32.74
4	Total Amount to be spent for the current financial year	47.56	69.72
5	Amount Spent During the Year	-	32.74
6	Amount Unspent (3+4-5)	47.56	36.98

#### 26.5 Earnings per Share (EPS)

Particulars	Refer	Year ended 31 <sup>st</sup> March 2017	Year ended 31 <sup>st</sup> March 2016
Nominal Value of Equity Shares (Rs. per Share)	A	10	10
Weighted average number of Equity Shares outstanding during the period	B	24,50,52,701	24,50,52,701
Profit/(Loss) after Taxes After Exceptional items (Rs. in Lakhs)	C	2,067.38	155.60
Earnings Per Share – Basic and diluted	C*100000/B	0.84	0.06

#### 26.6 Deferred Tax

Deferred tax asset has not been recognised in respect of the following items:

(Rs in Lakhs)

Particulars	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Deductible temporary differences	838.53	277.22	2,933.93	969.96
MAT Credit (Tax Credit)	1,363.26	450.69	1,279.92	423.14
<b>Total</b>	<b>2,201.79</b>	<b>727.91</b>	<b>4,213.85</b>	<b>1,393.09</b>

Considering the principles of prudence, the above deferred tax asset has not been recognised as at 31.03.2017.

## 26.7 Income tax Expenses

Income tax expense in the statement of profit and loss comprises:

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2017	For the year ended 31 <sup>st</sup> March 2016
Current Tax	289.78	21.71
MAT Credit	(83.34)	(21.71)
<b>Net Tax</b>	<b>206.44</b>	-
MAT Credit for earlier years	(1,258.58)	-
<b>Total Income tax expenses</b>	<b>(1,052.14)</b>	-

Particulars	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
Profit/(Loss) from the operation before income tax expenditure	1,015.24	155.60
Applicable Income tax rate (MAT Rate - 20.389%)	33.06%	33.06%
Tax effect of amount which are not deductible in calculating taxable income:	335.67	21.71
Effect of expenses not allowed for tax purpose	25.23	-
Effect of income not considered for tax purpose	(68.75)	-
Income Tax on Other Comprehensive Income	(2.37)	-
MAT Credit	(83.34)	(21.71)
MAT Credit for Earlier Years	(1,258.58)	-
Income tax expenses charged to the statement of profit and loss	(1,052.14)	-

**26.8** The value of investments in subsidiaries and loans and advances to these companies net of provisions made are currently standing at Rs. 24,528.90 Lakhs and Rs. 31,476.25 Lakhs respectively. Considering the intrinsic value of the assets held by these companies and potential cash flows that may accrue on account of their business operations the management is of view that the carrying value of net investments and loans and advances does not warrant any adjustment in the long run.

**26.9** Certain assets of the company were offered as mortgage security to loans availed by third parties with current outstanding of Rs. 2,734.40 Lakhs. The parties have not repaid the loan amounts on due dates and the lenders continue to hold the charge on the assets of the company. The management is pursuing the matter with third party borrowers and is confident that the borrowers will meet their loan obligations and accordingly the value of assets mortgaged by the company does not require any adjustment to carrying value.

## 26.10 Exceptional Items

- During the year 2015-16, a subsidiary company PVP Island Private Limited, where no possible business activity existed has been struck off from the registrar of Companies under section 560 of the companies Act, 1956. The resultant loss on derecognition of investment and loans is written off and shown as exceptional item in the Statement of Profit & Loss Account.
- During the year 2015-16, the company has disinvested and moved away from the sports activities in all the sports ventures. Blaster Sports Ventures Private Ltd, which is a subsidiary company has been dis invested and it ceased to be a subsidiary with effect from 19th November 2015. As a part of dis investment exercise the debentures subscribed in Blaster sports ventures Private Ltd i.e. 1% Compulsory Convertible Cumulative Debentures has been converted to 1% Redeemable Non-convertible Cumulative Unsecured Debentures as of 19th October 2015. Henceforth, the company shall not be responsible for any liability relating to aforesaid Sports venture and hence the excess liability provided in the books was written back and shown as exceptional item in the Statement of Profit & Loss Account.

## 26.11 Contingent Liabilities

- Assessment Year 2007-08: While giving effect to the order of The Income Tax Appellate Tribunal, Hyderabad, the Assessing Officer (AO) raised demand of Rs. 78.21 Lakhs, by partly considering the value of investments received from Holding Company for allowing proportionate Interest on Debentures, which was disputed with CIT – Appeals, Hyderabad, and the said appeal was dismissed. Aggrieved by the Order, the company filed an appeal with the Income Tax Appellate Tribunal, Hyderabad.

During the year, Hon'ble Income Tax Appellate Tribunal, Hyderabad has allowed the appeal in favour of the company.

- Assessment Year 2008-09: The AO passed an order demanding a sum of Rs. 16,497 Lakhs for the AY 2008-09 after disallowing the investment received from the Holding Company as unexplained investment and the sale of land and others as unexplained receipts. The appeal filed by company before CIT(A), Chennai was allowed in favour of the company to the extent of Rs. 15,017 Lakhs with respect to the Investments received from the Holding Company. On the order of CIT(A),Chennai, the department has filed an appeal before Income Tax

Appellate Tribunal and for the balance disallowance the company has filed a separate appeal before Income Tax Appellate Tribunal, Chennai. Hon'ble Income Tax Appellate Tribunal, Chennai has set aside the order of AO to redo the assessment. Aggrieved by the order passed by Income Tax Appellate Tribunal, Chennai, company has filed an appeal before Honorable High Court of Madras and it has admitted the case and stayed the proceeding of the order of Income Tax Appellate Tribunal.

Further upon the disallowance made by ITAT, Chennai, the AO has initiated penalty proceedings and issued demand notice amounting to Rs. 1,276.58 Lakhs, which is disputed before CIT(A), Chennai. No action against the company can be initiated by the department, since the quantum for the issues is already admitted by the Hon'ble High Court of Madras.

- c) Assessment Year 2009-10: The re-assessment proceeding under section 148 of Income tax Act 1961 was initiated on the grounds of disallowance of Interest expenditure and Depreciation on Plant and Machinery. Consequently, the order was passed with a demand of Rs. 13.24 Lakhs. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai.

During the year, CIT – Appeals has dismissed the company's appeal. Aggrieved by the order of CIT (Appeals) the company has preferred an appeal with Honorable Income Tax Appellate Tribunal, Chennai Bench. Further the company has filed the rectification petition under section 154 for adjusting the unabsorbed losses and unabsorbed depreciation with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

- d) Assessment Year 2013-14: The Assessing Officer has passed order disallowing the notional amount on Investments under section 14A of the Income tax Act, 1961 resulting in a demand of Rs. 493.43 Lakhs for the AY 2013-14. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai. Further the company has filed the rectification petition under section 154 for adjusting the unabsorbed losses and unabsorbed depreciation with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

- e) Assessment Year 2014-15: The Assessing Officer has passed order disallowing the notional amount on Investments under section 14A of the Income tax Act, 1961 resulting in a demand of Rs. 346.40 Lakhs. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai.

Based on the issues and circumstances in consideration for the above cases and based on the expert advice the Company is confident of success, hence provision for the disputed amount was not provided in the books.

- f) Company has received an order from SEBI imposing a penalty of Rs. 15.00 Lakhs for the PVP Ventures Limited and further penalty of Rs. 15.00 Lakhs for Prasad V Potluri as Chairman & Managing Director of the company towards alleged violation of Prohibition of Insider Trading (PIT) Regulations during 2009. The company has challenged the orders before the Securities Appellate Tribunal (SAT).

## 26.12 Other Commitments

- Company has given security by way of mortgage of perambur land and Corporate Guarantee for availing term loan from the bank for production of films amounting to Rs. 1,500.00 Lakhs for its subsidiary company Picturehouse Media Limited (PHML). The outstanding loan amount with the bank by Picturehouse Media Limited (PHML) as on 31st March 2017 is Rs. 1,541.82 Lakhs (31st March 2016 is Rs. 1,518.51 Lakhs).
- Company has given security by way of mortgage of Perambur Land and Corporate Guarantee for availing working capital facilities from bank amounting to Rs. 10,000.00 Lakhs for its subsidiary company PVP Capital Limited. The outstanding loan amount with the bank by PVP Capital Limited as on 31st March 2017 is Rs. 10,120.06 Lakhs (Rs. 10,116.06 Lakhs as on 31st March 2016.)
- Company has given security by way of mortgage of 20 Flats in Ekanta Tower-1 of Nort Town Project, pledge of 10,00,000 equity shares of Rs. 10/- each held in Picturehouse Media Limited and Corporate Guarantee for availing term loan of Rs. 460.00 Lakhs for its subsidiary company, Safetrunk Services Private Limited (SSPL). The outstanding loan amount with the bank by Safetrunk Services Private Limited as on 31st March 2017 is Rs. 430.52 Lakhs.

## 26.13 Gratuity and other post-employment benefit plans

### Defined Benefit Plan

#### Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is a funded Gratuity Scheme.

Particulars	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
Gratuity Plan:		
Defined benefit obligation (DBO)	(8,58,718)	(13,04,717)
Fair value of plan assets (FVA)	-	-
<b>Net defined benefit (asset)/liability</b>	<b>(8,58,718)</b>	<b>(13,04,717)</b>

The following table summarizes the components of net benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the balance sheet for defined benefit plans/obligations:

Net employee benefit expense (recognized in Employee Cost) for the year ended 31st March, 2017

Particulars	2016-17	2015-16
Current Service Cost	2,59,169	2,77,638
Net Interest Cost	1,01,768	1,36,080
<b>Total</b>	<b>3,60,937</b>	<b>4,13,718</b>

Amount recognised in Other Comprehensive Income for the year ended 31st March, 2017

Particulars	2016-17	2015-16
Actuarial (gain)/ loss on obligations	(8,06,935)	(8,53,616)

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2017 are as follows:

Particulars	2016-17	2015-16
Opening defined obligation	13,04,717	17,44,615
Current service cost	2,59,168	2,77,638
Interest cost	1,01,768	1,36,080
Actuarial (gain) / loss – experience	-	-
Actuarial (gain) / loss – demographic & Financial assumptions	(8,06,935)	(8,53,616)
Benefits paid	-	-
Actuarial (gain) / loss on obligations	-	-
<b>Defined benefit obligation</b>	<b>8,58,718</b>	<b>13,04,717</b>

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
Discount rate (in %)	7.50%	7.80%
Salary Escalation (in %)	7.50%	7.50%

### Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

A quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below:

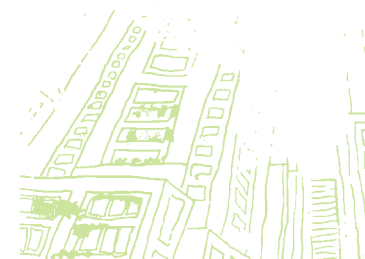
Particulars	31-Mar-16 (Ind AS-19)		31-Mar-17 (Ind AS -19)	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)	13,04,717		8,58,718	
(% change compared to base due to sensitivity)	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	13,83,329	12,33,828	9,37,108	7,91,297
Salary Growth Rate (- / + 1%)	12,04,115	14,00,412	6,84,825	10,75,465
Attrition Rate (- / + 1%)	12,56,154	13,48,930	7,82,640	9,26,861
Mortality Rate (- / + 1%)	13,03,414	13,06,616	8,57,320	8,60,112

### Compensated Absences

The employees of the Company are entitled to compensate absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on the Actuarial certificate.

### Defined Contribution Plan

Eligible employees receive benefits under the provident fund which is a defined contribution plan. These contributions are made to the funds administered and managed by the Government of India. The company recognised Rs. 3.11 Lakhs (previous year 5.15 Lakhs) for provident fund contribution in the statement of profit or loss account.



**26.14 Disclosure in Accordance with Ind AS -24 Related Party Transactions****a) Names of related parties and nature of relationship**

<b>Names of the Related party</b>	<b>Relationship</b>
Platex Limited (PL)	Holding Company
PVP Global Ventures Private Limited (PGPL)	Subsidiary Companies
New Cyberabad City Projects Private Limited (NCCPPL)	
PVP Corporate Parks Private Limited (PCPL)	
PVP Media Ventures Private Limited (PMPL)	
Safetrunk Services Private Limited(SSPL)	
PVP Island Private Limited (VVPIL) wound up as of 13.01.2016	
Adobe Realtors Private Limited	
PVP Cinema Private Limited	
Picturehouse Media Limited (PHML)	
Picturehouse Media Private Limited (PHMPL) Singapore	
PVP Capital Limited (PCL)	
Mr. Prasad V. Potluri, Chairman and Managing Director (PV)	Key Managerial Personnel (KMP)
Mr. D. Krishnamoorthy, Head-Finance & Accounts (appointed as Chief Financial Officer of the Company w.e.f December 14, 2017 and appointed as Company Secretary & Compliance Officer of the Company w.e.f Feb 07, 2017)	
Mr.S.Kannan , Head -Finance & Accounts - till September, 2016	
Mr.V.Ravi Kumar Reddy – Head -Secretarial from 9 <sup>th</sup> May 2016 till 7 <sup>th</sup> Dec 2016	
Mrs.Jhansi Sureddi (JS)	Relative to Chairman & Managing Director
Mrs.Padma Potluri (PP) till 06 <sup>th</sup> March, 2017	Directors
Mr. R.Nagarajan	
Mr.N.S.Kumar	
Bruma Properties Private Limited (BPPL)	Enterprises where KMP exercise significant influence

**b) Summary of transactions with the related parties during the year ended 31<sup>st</sup> March 2017**

<b>Nature of Transactions</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>	<b>For the year ended 31<sup>st</sup> March 2016</b>
<b>Loans given / (repaid)</b>		
<b>Subsidiary Companies</b>		
- PVP Global Ventures Private Limited	(23.28)	(669.60)
- PVP Island Private Limited	-	(2.49)*
- Safetrunk Services Private Limited	210.15	304.80
- New Cyberabad City Projects Private Limited	-	24.97
- PVP Media Ventures Private Limited	0.20	859.42
<b>Loans Borrowed / (repaid)</b>		
- PVP Corporate Parks Private Limited	(36.09)	(1.44)
<b>Investment in Subsidiaries</b>		
- PVP Global Ventures Private Limited	-	322.00
- PVP Island Private Limited	-	(1.00)*
Salary & Perquisites to Chairman & Managing Director	30.10	30.10
Salary to other Key Managerial Persons	37.35	61.71
Interest on Loan given to Key Managerial Persons	(4.63)*	18.76
Sitting Fees to Directors	3.42	4.63

\*write off

**c) The outstanding balances as at the 31<sup>st</sup> March 2017**

<b>Particulars</b>	<b>31<sup>st</sup> March 2017</b>	<b>31<sup>st</sup> March 2016</b>
<b>a) Loans Receivable / (borrowed)</b>		
<b>Subsidiary Companies</b>		
PVP Global Ventures Private Limited	35,775.14	35,798.42
Safetrunk Services Private Limited	550.89	340.74
New Cyberabad City Projects Private Limited	21,843.49	21,843.49
PVP Media Ventures Private Limited	861.27	861.07
PVP Corporate Parks Private Limited	(1,012.31)	(1,048.40)

Particulars	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
<b>b) Enterprises where significant influence exists</b>		
Bruma Properties Private Limited	35.00	35.00
<b>c) Doubtful advances</b>		
PVP Global Ventures Private Limited	(5,160.16)	(5,160.16)
<b>d) Loan outstanding from Key Managerial Persons</b>	200.14	205.10
<b>e) Unsecured Loans payable</b>		
<b>Subsidiary Company</b>		
PVP Corporate Parks Private Limited	(1,012.31)	(1,048.40)
<b>e) Corporate Guarantee</b>		
Picturehouse Media Limited	1,500.00	3,000.00
PVP Capital Limited	10,000.00	10,000.00
Safe Trunk Services Private Limited	460.00	Nil

### 26.15 Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed.

#### Financial assets and liabilities

The carrying value of financial instruments by categories is as follows:

(Rs in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 01 <sup>st</sup> April 2015
	Amortised cost	Amortised cost	Amortised cost
<b>Financial assets:</b>			
Cash and cash equivalents	0.14	0.04	0.10
Bank balance other than cash and cash equivalents	99.28	32.20	72.20
Trade Receivables	623.43	310.74	302.48
Loans	134.20	134.53	138.54
Other Financial Assets	290.81	949.60	1,084.24
<b>Total</b>	<b>1,147.86</b>	<b>1,427.11</b>	<b>1,597.56</b>
<b>Financial liabilities:</b>			
Borrowings	14,362.62	14,356.62	14,363.33
Trade Payables	76.88	37.42	547.57
Other Financial Liabilities	3,957.94	2,476.08	523.68
<b>Total</b>	<b>18,397.45</b>	<b>16,870.12</b>	<b>15,434.58</b>

Investment in Equity instruments are carried at cost and hence not considered.

Management considers that the all financial instruments are carried at amortised cost and the carrying value of the company's financial assets & liabilities is considered approximate to their fair value at each reporting date.

### 26.16 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise investments, loans, cash and bank balance, trade and other receivables.

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below.

#### i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

##### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with variable interest rates.

Long term borrowings of the company bear fixed interest rate, thus interest rate risk is limited for the company.

##### b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company does not undertake transactions denominated in foreign currencies, consequently company activities does not expose to exchange rate fluctuations arise.



**c) Equity price risk**

The equity price risk is the risk arising from uncertainties about future values of the investment securities. The Company does not have exposure to Equity price risk in investment.

**ii) Credit risk**

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables, loans and other financial assets).

The company is exposed to credit risk in respect of these balances such that, if one or more customers encounter financial difficulties, this could materially and adversely affect the company's financial results. The company attempts to mitigate credit risk by assessing the creditworthiness of customers and closely monitoring payment history.

There have been no material impairments to trade or other receivables in the two years included within these financial statements and no indication of enhanced customer credit risk.

Credit risk on cash and cash equivalents is considered to be minimal as the counter parties are all substantial banks with high credit ratings.

**iii) Liquidity risk**

Liquidity risk is the risk that the company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The management is responsible for liquidity, funding as well as settlement management. The Company manages the liquidity and fund requirements for its operations through borrowings. Further, certain interest bearing liabilities carry different interest rates.

The table below provides details regarding the contractual maturities of Financial Liabilities:

(Rs. in Lakhs)

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
<b>As at 31<sup>st</sup> March 2017</b>					
Borrowings	1,012.31	43.08	13,350.32	-	<b>14,405.71</b>
Trade payables	-	76.88	-	-	<b>76.88</b>
Interest accrued	-	3,853.81	-	-	<b>3,853.81</b>
Other Financial Liabilities	-	61.06	-	-	<b>61.06</b>
<b>Total</b>	<b>1,012.31</b>	<b>4,034.83</b>	<b>13,350.32</b>	-	<b>18,397.46</b>

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
<b>As at 31<sup>st</sup> March 2016</b>					
Borrowings	1,048.40	5.28	13,308.22	-	<b>14,361.90</b>
Trade payables	-	37.42	-	-	<b>37.42</b>
Interest accrued	-	1,926.91	-	-	<b>1,926.91</b>
Other Financial Liabilities	-	543.89	-	-	<b>543.89</b>
<b>Total</b>	<b>1,048.40</b>	<b>2,513.50</b>	<b>13,308.22</b>	-	<b>16,870.12</b>

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
<b>As at 01 April 2015</b>					
Borrowings	1,049.84	7.26	13,310.50	3.00	<b>14,370.6</b>
Trade payables	-	547.57	-	-	<b>547.57</b>
Interest accrued	-	-	-	-	<b>-</b>
Other Financial Liabilities	-	516.42	-	-	<b>516.42</b>
<b>Total</b>	<b>1,049.84</b>	<b>1,071.25</b>	<b>13,310.50</b>	<b>3.00</b>	<b>15,434.59</b>

**26.17 Capital Management**

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimise cost of capital.

The Company monitors capital using the debt-equity ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, Bank balance other than cash and cash equivalents.

(Rs in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 01st April 2015
Long Term Borrowings	13,350.32	13,308.22	13,313.50
Cash & Cash Equivalents	(0.14)	(0.04)	(0.10)
Bank Balances other than Cash & Cash Equivalents	(99.28)	(32.20)	(72.20)
<b>Net Debt</b>	<b>13,250.90</b>	<b>13,275.99</b>	<b>13,241.20</b>
Equity Share Capital	24,505.27	24,505.27	24,505.27
Other Equity	37,919.09	35,854.13	35,710.94
<b>Total Equity</b>	<b>62,424.36</b>	<b>60,359.40</b>	<b>60,216.22</b>
<b>Debt Equity Ratio</b>	<b>0.2123</b>	<b>0.2199</b>	<b>0.2198</b>

No changes were made in the objectives, policies or processes during the year ended 31<sup>st</sup> March 2017.

#### 26.18 Disclosure on Specified Bank Notes

During the year, the company had Specified Bank Notes (SBNs) or Other Denomination Note as defined in the MCA Notification G.S.R.308 (E) dated 31st March 2017. The details of Specified Bank Notes (SBNs) held and transacted during the period from 08th November 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per notification is given below:

(Amount in Rs.)

Particulars	SBNs*	Other Denomination	Total
Closing cash in hand as on 08 <sup>th</sup> November 2016	-	14,862	14,862
(+) Permitted Receipts	-	65,000	65,000
(-) Permitted Payments	-	69,258	69,258
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30 <sup>th</sup> December 2016	-	10,604	10,604

\*For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407(E), dated the 8<sup>th</sup> November, 2016.

26.19 The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year figures.

As per our report of even date.

**For Brahmayya & Co**  
Chartered Accountants  
Firm.Reg.No. 0005115

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

**For and on behalf of the Board of Directors**

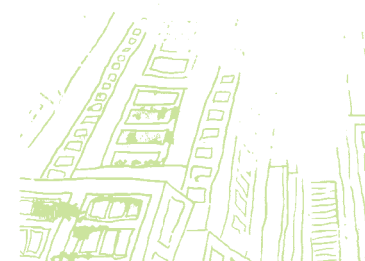
**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

**Sd/-**  
**R NAGARAJAN**  
Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary

Place : Chennai  
Date : May 30, 2017

Place : Chennai  
Date : May 30, 2017



# Consolidated Financial Section

## INDEPENDENT AUDITOR'S REPORT

### To the Members of PVP Ventures Limited

#### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **PVP Ventures Limited** ("the Holding Company" or "the Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March 2017, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

#### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's' Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under sub section (10) of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at 31<sup>st</sup> March 2017, and their consolidated profit including other comprehensive loss, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

#### Emphasis of Matter

We draw attention to

- a) As stated in Note No: 27.13 to the Consolidated Ind AS Financial Statements, the obligations towards disputed income tax matters amounting to Rs. 2,129.65 Lakhs are pending before different judicial forums. Pending disposal of these appeals the eventual obligation in this regard is unascertainable at this time. Based on the management's assessment and based on the experts view on the merits of the dispute, no provision is considered necessary in this regard.

- b) As stated in Note No: 27.14(a) to the Consolidated Ind AS Financial Statements, certain assets of the company have been pledged as security by way of mortgage to the lenders for the borrowings by third parties and the borrowers have not repaid the loan along with interest to the lenders on the due dates. The outstanding loan by these companies as on 31st March 2017 is Rs. 2,734.40 Lakhs. The realisable value of mortgaged assets is dependent on the repayment of the loans by the third parties. The management asserts that no adjustment to the carrying value is required as it is confident that the payment obligations will be met by the third party borrower in due course. Relying on the same no adjustments have been made to the carrying value of the assets.
- c) As stated in Note No.27.11(a) to the consolidated Ind AS Financial Statements, in case of Picturehouse Media Limited, a subsidiary of the Holding Company audited by us, We have drawn emphasis of matter paragraphs reproduced by us as under: "which explain that the current assets of the subsidiary company include:
- Loans (including interest accrued) amounting to Rs. 3,355.88 Lakhs
  - Films under production expenses amounting to Rs. 4,944.88 Lakhs
- As regards the loans for film production and uncertainty with respect to expenditure on films under production whose realisability is significantly dependent on timely completion of contemplated production of films, poses significant uncertainty on the eventual realisability of the above stated assets. The financial impact if any due to non-realisation is not ascertainable at this time."
- d) The independent auditor of two subsidiaries in their auditor's report on the financial statements for the year ended 31st March 2017 have drawn emphasis of matter paragraphs reproduced by us as under:
- As stated in Note No.27.10 to the consolidated Ind AS Financial Statements in respect of "Loans and advances of Rs. 12,919.64 Lakhs to body corporates for scouting of land for the proposed power projects. The long duration of outstanding of these advances and other factors like low probability of getting a big chunk of land for a power project indicate the existence of uncertainty on the eventual realisability of these advances. The financial impact if any due to non realisability is not ascertainable at this time."
  - As stated in Note No.27.11(c) to the consolidated Ind As Financial Statements, Loans and Advances aggregating to Rs. 2,986.21 Lakhs has been assigned to the lender of the subsidiary Company.

Our opinion is not modified in respect of the above matters.

#### Other Matters

- a) We did not audit financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 61,736.83 Lakhs as at 31st March, 2017, total revenue of Rs. 2,142.49 Lakhs for the year ended 31st March, 2017 and net loss of Rs. 1,029.68 Lakhs. These audited financial statement and other financial information for these subsidiaries have been audited by other auditor whose reports have been furnished to us by the management. Our opinion on these consolidated Ind AS financial statements is based on the reports of the other auditor.
- b) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 5.53 Lakhs as at 31st March, 2017, total revenue of Rs. Nil for the year ended 31st March, 2017 and net loss of Rs. 3.83 Lakhs. These financial statements and other financial information of the subsidiary have been prepared by the management. Our opinion on these consolidated Ind AS financial statements is based solely on the management accounts.
- c) The financial information for the year ended 31st March 2016 and the transition date opening balance sheet as at 01st April 2015 included in these special purpose Consolidation Ind AS Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and the other accounting principles generally accepted in India audited by CNGSN & Associates LLP, Chartered Accountants whose report dated 23rd May 2016, expressed modified opinion (for the year ended 31st March 2016) and 29th May 2015 expressed unmodified opinion (for the year ended 31st March 2015) on those Consolidated Financial Statements respectively, as adjusted for the differences in the accounting principles adopted by the company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of the above matters.

#### Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on consideration of the report of the other auditors on separate financial statements of subsidiaries referred in the other matters paragraph above, we report to the extent applicable that:

- We/the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are



in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

- d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, none of the directors of the Group companies are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure A"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matter' paragraph:
  - i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group. Refer Note No.27.13 to the Consolidated Ind AS Financial Statements.
  - ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There are no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group.
  - iv. The Group has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O.3407(E) dated the 08<sup>th</sup> November 2016 of the Ministry of Finance, during the period from 08<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 of the group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidation Ind AS financial statements and as produced to us and other auditors by the management of the respective group entities. Refer Note No.27.25 to the Consolidated Ind AS Financial Statements.

**For Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn No. 000511S

Sd/-  
**K. Jitendra Kumar**  
Partner  
Membership No. 201825

Place : Chennai  
Date : 30<sup>th</sup> May 2017

## Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of **PVP Ventures Limited** as of and for the year ended 31<sup>st</sup> March 2017, we have audited the internal financial controls over financial reporting of PVP Ventures Limited ("the Holding Company" or "the Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Covered Entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

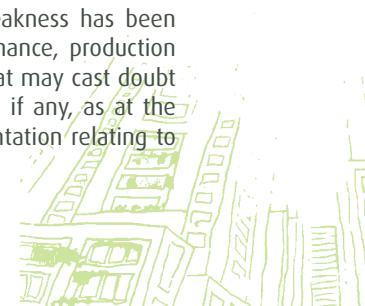
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Qualified Opinion

According to the information and explanations given to us and based on our audit, the following weakness has been identified as at 31<sup>st</sup> March, 2017. "The Companies internal control system for advance given to film finance, production work-in-progress and advances given for land which could potentially result in existence of uncertainty that may cast doubt about the recoverability or otherwise on some of the items and thereby non provision for the shortfall, if any, as at the balance sheet date could not have been established and also Company needs to strengthen its documentation relating to disbursement of loans".



A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

In our opinion, the Holding Company and its Subsidiary Companies has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the aforesaid subsidiaries is solely based on the corresponding reports of the auditors of such companies.

Our report is not qualified in respect of the above matter with respect to our reliance on the work done by and the reports of other auditors.

Place : Chennai  
Date : 30<sup>th</sup> May 2017

**For Brahmayya & Co.,**  
Chartered Accountants  
Firm Regn No. 000511S

Sd/-  
**K. Jitendra Kumar**  
Partner  
Membership No. 201825

## Consolidated Balance Sheet as at 31st March 2017

(Rs In Lakhs)

Particulars		Note No.	As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
<b>I</b>	<b>ASSETS</b>				
<b>(1)</b>	<b>Non Current Assets</b>				
	(a) Property, Plant and Equipment	6.1	408.29	376.40	233.41
	(b) Capital work-in-progress	6.2	865.70	275.96	9.76
	(c) Good Will	6.3	3.93	3.93	-
	(d) Other Intangible assets	6.3	7.67	-	-
	(e) Financial Assets				
	(i) Investments	7	5,185.25	5,181.23	3,741.46
	(ii) Loans	9	-	-	-
	(iii) Other financial assets	10	198.33	907.80	1,055.92
	<b>Total Financial Asset</b>		<b>5,383.58</b>	<b>6,089.03</b>	<b>4,797.38</b>
	(f) Deferred tax assets (net)		-	-	-
	(g) Other non current assets	11	13,952.88	14,199.64	15,218.91
	<b>Total Non Current Assets</b>		<b>20,622.05</b>	<b>20,944.96</b>	<b>20,259.46</b>
<b>(2)</b>	<b>Current assets</b>				
	(a) Inventories	12	33,849.58	38,754.01	29,267.30
	(b) Financial Assets				
	(i) Trade receivables	8	2,265.17	563.57	302.48
	(ii) Loans	9	17,278.04	20,314.20	138.54
	(iii) Cash and cash equivalents	13	590.23	119.61	94.11
	(iv) Other financial assets	10	1,547.75	1,332.40	52.34
	<b>Total Financial Asset</b>		<b>21,681.19</b>	<b>22,329.78</b>	<b>587.47</b>
	(c) Other current assets	11	1,424.10	41.89	12.13
	<b>Total Current Assets</b>		<b>56,954.87</b>	<b>61,125.68</b>	<b>29,866.90</b>
<b>(3)</b>	<b>Non current assets classified as held for sale</b>		-	-	-
	<b>Total Assets</b>		<b>77,576.92</b>	<b>82,070.64</b>	<b>50,126.36</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>				
<b>A</b>	<b>EQUITY</b>				
	(a) Equity Share Capital	14	24,396.25	24,396.25	24,396.25
	(b) Other Equity		(246.49)	(1,634.54)	(3,593.61)
	(c) Non Controlling Interest		3,564.44	4,131.02	(665.87)
	(d) Equity component of Parent Company		707.00	707.00	707.00
	<b>Total Equity</b>		<b>28,421.20</b>	<b>27,599.72</b>	<b>20,843.77</b>
<b>B</b>	<b>LIABILITIES</b>				
<b>(1)</b>	<b>Non Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	15	17,520.07	16,925.06	13,419.60
	<b>Total Financial Liabilities</b>		<b>17,520.07</b>	<b>16,925.06</b>	<b>13,419.60</b>
	(b) Provisions	18	24.12	54.55	16.76
	(c) Other non current liabilities	19	5,820.81	8,152.57	8,216.46
	<b>Total Non Current Liabilities</b>		<b>23,365.00</b>	<b>25,132.18</b>	<b>21,652.82</b>
<b>(2)</b>	<b>Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	15	13,228.26	19,353.38	-
	(ii) Trade payables	16	648.78	134.11	576.63
	(iii) Other financial liabilities	17	4,480.70	3,042.61	523.68
	<b>Total Financial Liabilities</b>		<b>18,357.74</b>	<b>22,530.10</b>	<b>1,100.31</b>
	(b) Other current liabilities	19	6,369.31	5,734.47	6,340.30
	(c) Provisions	18	1,063.67	1,074.17	189.16
	<b>Total Current Liabilities</b>		<b>25,790.72</b>	<b>29,338.74</b>	<b>7,629.77</b>
<b>(3)</b>	<b>Liabilities associated with non current assets held for sale</b>		-	-	-
	<b>Total Equity and Liabilities</b>		<b>77,576.92</b>	<b>82,070.64</b>	<b>50,126.36</b>

## Summary of Significant Accounting Policies

The accompanying notes and other explanatory information are an integral part of the Financial Statements.  
As per our report of even date.

**For Brahmayya & Co**  
Chartered Accountants  
Firm.Reg.No. 0005115

**For and on behalf of the Board of Directors**

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

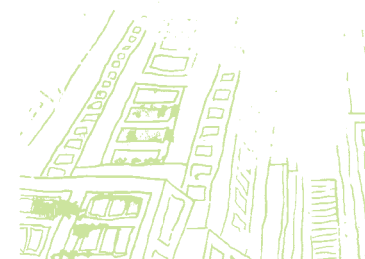
**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

**Sd/-**  
**R NAGARAJAN**  
Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary

Place : Chennai  
Date : May 30, 2017

Place : Chennai  
Date : May 30, 2017





**Consolidated Statement of Profit or Loss for the year ended 31st March 2017**

(Rs In Lakhs)

Particulars	Note	For the year ended 31st March 2017	For the year ended 31st March 2016
<b>Income</b>			
Revenue from Operations	20	15,559.99	14,794.95
Other Income	21	106.89	940.73
<b>Total Income</b>		<b>15,666.88</b>	<b>15,735.68</b>
<b>Expenses</b>			
Cost of Land	22.1	198.51	184.06
Cost of Film Production expenses	22.2	9,782.61	9,175.36
Purchase of Intangible Asset		-	10.69
Employee Benefit Expenses	23	432.13	607.71
Finance Costs	24	4,717.46	5,118.20
Depreciation and Amortisation	6	111.46	115.55
Other Operating and General Expenses	25	685.68	1,288.29
Provision on Standard Assets		-	9.86
<b>Total Expenses</b>		<b>15,927.85</b>	<b>16,509.72</b>
<b>Profit Before Tax and Exceptional items</b>		<b>(260.97)</b>	<b>(774.04)</b>
Exceptional Items	26	(102.77)	(1,229.08)
<b>Profit / (Loss) Before Tax</b>		<b>(158.20)</b>	<b>455.04</b>
<b>Tax Expenses</b>			
Current Tax		339.10	444.08
Less: MAT Credit Entitlement		(83.34)	(21.71)
MAT Credit / Income Tax relating to earlier years		(1,235.76)	-
<b>Total</b>		<b>(980.00)</b>	<b>422.37</b>
<b>Profit / (Loss) for the period</b>		<b>821.80</b>	<b>32.67</b>
<b>Other Comprehensive income, net of tax</b>			
<b>Items that will not be reclassified subsequently to profit and loss</b>			
Remeasurement of defined benefit obligation		(2.66)	(0.46)
Less:- income tax expense		2.37	-
<b>Other Comprehensive income for the year, net of tax</b>		<b>(0.29)</b>	<b>(0.46)</b>
<b>Total Comprehensive Income for the year, net of tax</b>		<b>821.51</b>	<b>32.21</b>
<b>Total Comprehensive income for the year attributable to:</b>			
Non Controlling Interest		<b>(566.57)</b>	<b>(454.64)</b>
Owners of the Parent		<b>1,388.08</b>	<b>486.85</b>
<b>Earnings Per Share</b>			
Basic and Diluted - (Rs.)		<b>0.34</b>	<b>0.01</b>
Face Value per Ordinary share - (Rs.)		<b>10.00</b>	<b>10.00</b>

## Summary of Significant Accounting Policies

The accompanying notes and other explanatory information are an integral part of the Financial Statements.  
As per our report of even date.

**For Brahmayya & Co**  
Chartered Accountants  
Firm.Reg.No. 0005115

**For and on behalf of the Board of Directors**

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

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**R NAGARAJAN**  
Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary

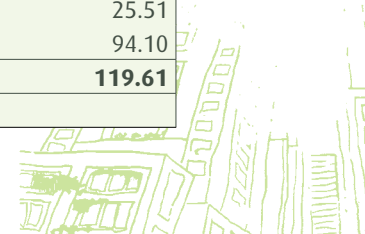
Place : Chennai  
Date : May 30, 2017

Place : Chennai  
Date : May 30, 2017

## Consolidated Cash Flow Statement for the year ended 31st March 2017

(Rs In Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before Tax	(158.20)	455.04
<b>Adjustments for:</b>		
Depreciation and Amortization	111.46	115.55
(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property	0.37	0.02
Net (gain) / loss recorded in profit or loss on financial assets / liabilities measured or designated as at fair value through profit or loss	(4.07)	(2.10)
Provision for employee benefits	(110.14)	82.92
Impairment of Goodwill	-	785.44
Interest on staff loans written off	4.63	-
Sundry Creditors Written off	(2.40)	-
Bad debts written off	10.84	1.34
Provision for doubtful advances	12.09	-
Advances Written off	4.78	-
Provision on Standard Assets	-	9.86
Interest Income	(36.12)	(899.87)
Interest Expenses	4,717.46	5,118.20
<b>Cash Generated Before Working Capital Changes</b>	<b>4,550.70</b>	<b>5,666.40</b>
<b>Movement In Working Capital</b>		
Increase / (Decrease) in Trade Payables	514.67	(470.79)
Increase / (Decrease) in Other Financial Liabilities	(476.57)	44.81
Increase / (Decrease) in Other Liabilities	(1,696.92)	(796.24)
(Increase) / Decrease in Trade Receivables	(1,701.60)	(261.09)
(Increase) / Decrease in Inventories	4,904.43	(1,769.45)
(Increase) / Decrease in Loans & Advances	3,036.16	(974.86)
(Increase) / Decrease in Other Financial Assets	523.95	138.79
(Increase) / Decrease in Other Assets	(133.72)	1,373.89
<b>Cash Generated From Operations</b>	<b>9,521.10</b>	<b>2,951.46</b>
Direct Taxes Paid	(23.40)	(140.25)
<b>Net Cash Flow From / (Used in) Operating Activities</b>	<b>9,497.70</b>	<b>2,811.21</b>
<b>B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>		
Purchase of PPE, Intangible Assets and Investment Property	(154.00)	(32.32)
Proceeds from Sale of PPE, Intangible Assets and Investment Property	10.86	0.20
Capital Work in Progress	(589.74)	(266.20)
Intangible Assets Under Development	(8.26)	-
Capital Advances	44.70	(44.42)
Purchase of Non Current Investments - Others	(4.07)	-
Proceeds from Sale of Non Current Investments - Others	0.05	-
Sale / (Purchase) of Current Investments (Net)	-	706.00
Interest Income Received	6.29	866.70
<b>Net Cash Flow From / (Used in) Investing Activities</b>	<b>(694.17)</b>	<b>1,229.96</b>
<b>C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>		
Proceeds from/(repayments of ) Short Term Borrowings	(6,125.12)	3,219.55
Proceeds from/(repayments of ) Long Term Borrowings	627.23	(4,466.32)
Interest Paid	(2,835.02)	(2,768.89)
<b>Net Cash Flow From / (Used in) Financing Activities</b>	<b>(8,332.91)</b>	<b>(4,015.66)</b>
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	470.62	25.51
Cash and Cash Equivalents at the beginning of the year	119.61	94.10
<b>Cash and Cash Equivalents at the end of the year</b>	<b>590.23</b>	<b>119.61</b>



## Consolidated Cash Flow Statement for the year ended 31st March 2017

Particulars		As at 31st March 2017	As at 31st March 2016
<b>D. Components of Cash and Cash Equivalents</b>			
	Cash and Cheques on Hand	0.84	5.49
	Balances with Banks		
	- In Current Accounts & Deposit Accounts	589.39	114.12
	<b>Cash and cash Equivalent</b>	<b>590.23</b>	<b>119.61</b>

### Notes:

- 1 The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Cash Flow Statements.
- 2 Previous year's figures have been regrouped and reclassified to confirm to those of the current year.

### Summary of Significant Accounting Policies

The accompanying notes and other explanatory information are an integral part of the Financial Statements.

As per our report of even date.

**For Brahmayya & Co**  
Chartered Accountants  
Firm.Reg.No. 0005115

**For and on behalf of the Board of Directors**

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

**Sd/-**  
**R NAGARAJAN**  
Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary

Place : Chennai  
Date : May 30, 2017

Place : Chennai  
Date : May 30, 2017

## Consolidated Statement of Changes in Equity for the year ended 31st March 2017

(Rs In Lakhs)

Particulars	Equity Share Capital	Other Equity Reserves & Surplus							Equity Component of Parent Company	Non Controlling Interest	Total Equity attributable to equity holders of the company	
		Security Premium Reserve	Retained Earnings	Capital Reserve	General Reserve	Statutory Reserve	Exchange Fluctuation Reserve	Business Transition Adjust-ment Reserve				Other Items of Other Comprehensive Income
<b>Balance as on 01st April 2015</b>	<b>24,396.25</b>	<b>85,591.90</b>	<b>(76,406.94)</b>	<b>2,914.27</b>	-	-	-	<b>(4,554.51)</b>	<b>(11,138.32)</b>	<b>707.00</b>	<b>(665.87)</b>	<b>(3,552.48)</b>
<b>Changes in Equity for the year ended March 31, 2016</b>												
Add: Amount transfer of reserves of new subsidiary	-	93.92	1,186.35	11.77	0.44	185.94	(6.39)	-	-	-	3,924.40	5,396.43
Add: Amount transferred to Statutory Reserve	-	-	(71.74)	-	-	71.74	-	-	-	-	67.66	67.66
Add: Amount transferred to Exchange Fluctuation Reserve	-	-	-	-	-	-	0.18	-	-	-	0.17	0.35
Add: Losses written back on account of loss of control	-	-	-	-	-	-	-	-	-	-	1,326.93	1,326.93
Remeasurement of the net defined benefit liability/ asset, net of tax effect	-	-	-	-	-	-	-	-	(6.26)	-	5.80	(0.46)
Profit for the period	-	-	493.12	-	-	-	-	-	-	-	(528.08)	(34.96)
<b>Balance as on 31st March 2016</b>	<b>24,396.25</b>	<b>85,685.82</b>	<b>(74,799.22)</b>	<b>2,926.04</b>	<b>0.44</b>	<b>257.68</b>	<b>(6.21)</b>	<b>(4,554.51)</b>	<b>(11,144.58)</b>	<b>707.00</b>	<b>4,131.02</b>	<b>3,203.47</b>
<b>Changes in Equity for the year ended March 31, 2017</b>												
Transferred to Statutory Reserves	-	-	(1.78)	-	-	1.78	-	-	-	-	1.67	1.67
Transferred to Exchange Fluctuation Reserve	-	-	-	-	(0.01)	-	-	-	-	-	(0.01)	(0.02)
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	-	-	-	-	(2.48)	-	2.19	(0.29)
Profit for the period	-	-	1,390.55	-	-	-	-	-	-	-	(570.42)	820.13
<b>Balance as on 31st March 2017</b>	<b>24,396.25</b>	<b>85,685.82</b>	<b>(73,410.44)</b>	<b>2,926.04</b>	<b>0.43</b>	<b>259.46</b>	<b>(6.21)</b>	<b>(4,554.51)</b>	<b>(11,147.07)</b>	<b>707.00</b>	<b>3,564.44</b>	<b>4,024.95</b>

Summary of Significant Accounting Policies

The accompanying notes and other explanatory information are an integral part of the Financial Statements.

As per our report of even date.

**For Brahmayya & Co**  
Chartered Accountants  
Firm.Reg.No. 0005115

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

**Sd/-**  
**R NAGARAJAN**  
Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary  
Place : Chennai  
Date : May 30, 2017

Place : Chennai  
Date : May 30, 2017

## Summary of significant accounting policies and other explanatory information to the Consolidated Ind AS Financial Statements for the year ended 31st March 2017

### 1. Corporate Information

PVP Ventures Limited ("the Parent Company") is a public company incorporated and domiciled in India and governed by the Companies Act, 2013 ("Act"). The Parent company's registered office is situated at Door No:2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai, Tamilnadu - 600031. The main activities of the Parent Company along with its subsidiaries are developing urban infrastructure and Movie production and Movie Financing related activities. The Parent Company together with its subsidiaries is herein after referred to as the "Group".

These Consolidated Ind AS Financial Statements of the Group for the year ended 31<sup>st</sup> March 2017 were authorised for issue in accordance with resolution of the Board of Directors on 30<sup>th</sup> May 2017.

### 2. Significant Accounting Policies

#### Basis of Preparation of Financial Statements

These financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the companies act, 2013, ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The amounts disclosed in the financial statements and notes have been rounded off to nearest Lakhs as per the requirement of schedule III, unless otherwise stated.

The Group has adopted all the Ind AS Standards and the adoptions was carried out in accordance with **Ind AS 101 First Time adoption of Indian Accounting Standards**. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under sec 133 of the companies act read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hither to in use.

All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in **Ind AS 1 Presentation of Financial Statements** and **Schedule III to the Companies Act, 2013**.

#### a) Basis of consolidation:

i) The consolidated financial statements of the Group incorporate the financial statements of the Parent Company and its subsidiaries. The Parent Company has control over the subsidiaries as it is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the subsidiaries.

When the Parent Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Parent Company considers all relevant facts and circumstances in assessing whether or not the Parent Company's voting rights in an investee are sufficient to give it power, including rights arising from other contractual arrangements.

Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Adjustments are made to the financial statements of subsidiaries, as and when necessary, to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

In case of subsidiaries consolidated for the first time consequent to adoption of IND AS, the deemed cost of goodwill as of the transition date has been computed to equal the difference between:

- the Group's interest in carrying amounts of assets and liabilities; and
- the cost, in the Parent Company's separate financial statements, of its investment in the subsidiary.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Parent Company.

Associates are all entities over which the group has significant influence but no control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in associates is accounted for using equity method of accounting, after initially being recognised at cost.

ii) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

#### b) Current / Non Current Classification

An asset is classified as current when

- a) It is expected to be realized or consumed in the Group's normal operating cycle;
- b) It is held primarily for the purpose of trading;

- c) It is expected to be realized within twelve months after the reporting period; or
- d) If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Any asset not conforming to the above is classified as non-current.

A liability is classified as current when

- a) It is expected to be settled in the normal operating cycle of the Group;
- b) It is held primarily for the purpose of trading;
- c) It is expected to be settled within twelve months after the reporting period; or
- d) The Group has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Any liability not conforming to the above is classified as noncurrent.

**c) Functional and Presentation Currency**

The financial statements are presented in Indian currency (INR), being the functional and presentation currency. Being the currency of the primary economic environment in which the Group operate.

**d) Property, Plant and Equipment:**

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all direct costs relating to acquisition and installation of Property, Plant and Equipment and borrowing cost relating to qualifying assets. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is charged to profit or loss so as to write off the cost of assets less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of the depreciable assets are as follows:

<b>Class of Assets</b>	<b>Estimated Useful Life</b>
Plant and Equipment	5 years
Furniture and Fixtures	10 years
Vehicles	8 years
Computers and related Assets	3 years
Office Equipment	3 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition

date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**e) Intangible Assets**

Intangible Assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

**f) Impairment of Property, Plant & Equipment & Intangible Assets:**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

**g) Foreign Currency Translation:**

**Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

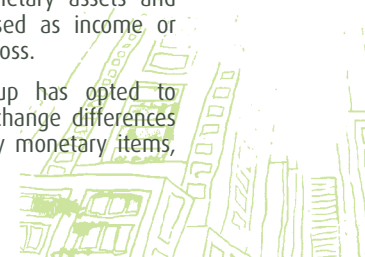
**Conversion**

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

**Treatment of Exchange differences**

Exchange differences arising on settlement / restatement of short term foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the statement of Profit or loss.

On transition to Ind AS, the Group has opted to continue with the accounting for exchange differences arising on long-term foreign currency monetary items,



outstanding as on the transition date, as per previous GAAP. Exchange differences arising on long term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset and exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Account" and amortised over the remaining life of the concerned monetary item.

#### Group Companies

For the purposes of the consolidated financial statements, items in the consolidated statements of profit or loss of those operations for which the Indian Rupees is not the functional currency are translated to Indian Rupees at the average rates of exchange during the year. The related consolidated balance sheet is translated into Indian rupees at the rates as at the reporting date. Exchange differences arising on translation are recognised in the other comprehensive income. On disposal of such entities the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in profit or loss.

#### h) Assets taken on lease:

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All the other leases are classified as operating leases.

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on a straight-line basis, unless another basis is more representative of the time pattern of benefits received from the use of the assets taken on lease or the payments of lease rentals are in line with the expected general inflation compensating the lessor for expected inflationary cost. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

Assets held under finance lease are capitalised at the inception of the lease, with corresponding liability being recognised for the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Lease payments are apportioned between the reduction of the lease liability and finance charges in the statement of Profit or Loss so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term.

#### i) Inventories

Land and related development activities are valued at Cost or Net Realizable Value whichever is lower. Cost comprises of all expenses incurred for the purpose of acquisition of land, development of the land and other related direct expenses.

Investments in films and associated rights, including acquired rights and advances to talent associated with film production, are stated at lower of cost / unamortised cost or realisable value. Costs include production costs, overhead and capitalized interest costs net of any amounts received from third party investors.

A charge is made to write down the cost once the film is theatrically exhibited commercially. Charge is recognized in the income statement within cost of production.

#### j) Financial Instruments

##### 1) Initial Recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction

costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

#### 2) Subsequent measurement

##### i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Group has made an irrevocable election for its investments which are classified as equity instruments based on its business model, to present the subsequent changes in fair value through other comprehensive income.

##### iii) Financial Assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit or loss.

##### iv) Investment in Subsidiaries

Investments in subsidiaries are carried at cost in accordance with Ind AS 27 Separate Financial Statements.

##### v) Financial Liability

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

#### 3) Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or its transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### 4) Impairment of Assets

##### Financial Assets (other than at fair value):

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do

not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

#### 5) Fair value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

##### Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1:** Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### k) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

#### l) Revenue Recognition

As a consistent practice, the Group recognises revenues on accrual basis.

- 1) Revenue from sale of undivided share of land is recognised upon transfer of all significant risks and rewards of ownership.
- 2) Revenue from film production is recognized, net of sales related taxes, when the agreement exists, the fees are fixed or determinable, the product is delivered or services have been rendered and collectability is reasonably assured. The Group considers the terms of each arrangement to determine the appropriate accounting treatment.

The following additional criteria apply in respect of various revenue streams within filmed entertainment:

**Theatrical** – Contracted minimum guarantees are recognized on the theatrical release date. The Group's share of box office receipts in excess of the minimum guarantee is recognized at the point they are notified to the Group.

**Other rights** – other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date when the rights are made available to the assignee for exploitation.

- 3) a) Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.
- b) In respect of PVP Capital Limited, Interest income on loans is accrued over the maturity of the loan where the interest is serviced regularly as per the applicable prudential norms prescribed for NBFCs by RBI to the extent applicable to the company. Interest on loans which are classified as non-performing assets and are accounted for on realization basis.
- 4) Sale of Intangibles assets are recognised when asset are sold to customers which generally coincides with the delivery and acceptance. Income earned on licensing the copyrights is recognised on time proportion basis. Revenue from dividend is recognised upon right to receive the dividend is established.
- 5) Dividend from investments is accounted for as income when the right to receive dividend is established.

#### m) Employee Benefits

##### 1) Gratuity

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on projected unit credit method as at balance sheet date. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to profit or loss. As required under Ind AS complaint schedule III, the Group transfers it immediately to retained earnings.

##### 2) Compensated Absences

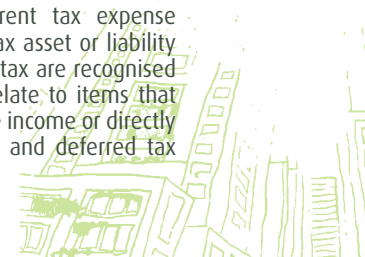
The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Non-accumulating compensated absences are recognised in the period in which the absences occur.

##### 3) Other Benefit Plans

Contributions paid / payable under defined contributions plans are recognised in the statement of Profit or Loss in each year. Contribution plans primarily consist of Provident Fund administered and managed by the Government of India. The Group makes monthly contributions and has no further obligations under the plan beyond its contributions.

#### n) Taxes on Income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax





are also recognised in other comprehensive income or directly in equity, respectively.

**i) Current Income Tax**

Current Income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

**ii) Deferred Income Tax**

Deferred Income tax is recognised using balance sheet approach. Deferred tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred Income tax assets are recognised for all deducted temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred Income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

**o) Borrowing Costs**

Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

**p) Earnings per Share**

Basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined

independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**q) Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

**r) Exceptional Items**

When items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

**s) Segment Reporting**

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment are allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments are disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment and all other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

**3. Critical accounting estimates and judgments**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

**• Valuation of investment in/loans to subsidiaries**

The Group has performed valuation for its investments in equity of certain subsidiaries for assessing whether there is any impairment in the fair value. When the fair value of investment in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques including the discounted cash flow model. Similar assessment is carried for exposure of the nature of loans thereon. The inputs to these models are taken from observable markets where possible, but where is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of these investments.

- Accounting for the film content requires management's judgment as it relates to total revenues to be received and costs to be incurred for each film. The Group is required to identify and assess and determine income generated from commercial exhibition of films. Judgment is also required in determining the charge to profit and loss account. As well as considering the recoverability or conversion of advances made in respect of securing film content or the services of talent associated with film production.
- **Useful lives of property, plant and equipment and intangible assets:** The Group has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the carrying amount of property, plant and equipment at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment testing:** Property, plant and equipment and intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and their tax charge in the statement of profit or loss.
- Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss.
- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

#### 4. Standards issued but not yet effective:

As per Companies (Indian Accounting Standards) (Amendment) Rules, 2017 dated 17th March 2017 MCA has notified amendments to two new standards namely Ind AS 102 - Share-based Payment and Ind AS 7 - Statement of Cash Flows which will be effective from 1st April 2017.

During current year, there are no share based payments transactions occurred and hence Ind AS 102 is not applicable to the Group. Further, amendment to Ind AS 7 pertains to additional disclosure requirement such as "An entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes". The Group has not opted for early adoption of the above amendments and will not have any material impact on the financial statements of the Group when adopted.

#### 5. Disclosures as required by Indian Accounting Standard (Ind AS) 101 first time adoption of Indian accounting standard.

These standalone financial statements of the Group for the year ended 31<sup>st</sup> March 2017 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Group has followed the guidance prescribed in Ind AS 101 – First Time adoption of Indian Accounting Standard, with 01<sup>st</sup> April 2015 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note No 2 have been applied in preparing the Standalone Ind AS Financial Statements for the year ended 31<sup>st</sup> March 2017 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Group's Balance Sheet, Statement of Profit or Loss and Statement of Cash Flows is set out in Note 5.2 Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in 5.1.

#### 5.1 Exemptions availed on first time adoption of Ind AS 101

On first time adoption of Ind AS, Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has availed the following exemptions.

##### a. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies), unless there is an objective evidence that those estimates were in error. Ind AS estimates as at 01<sup>st</sup> April 2015 and 31<sup>st</sup> March 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

b. Ind AS 103 Business Combinations has not been applied to acquisitions, which are considered businesses under Ind AS that occurred before 01<sup>st</sup> April 2015. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that were required to be recognised under Ind AS, is their deemed cost at the date of acquisition, measurement is in accordance with respective Ind AS. The Group did not recognise or exclude any previously recognised amounts as a result of Ind AS recognition requirements.

c. The Group has elected to avail the exemption under Ind AS 101 to use Indian GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment as per the statement of financial position prepared in accordance with previous GAAP.

##### d. Fair value of Financial Assets and Liabilities

As per the Ind AS exemption, the company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.



## 5.2. Reconciliations

The following Reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

### 5.2.1. Reconciliation of Equity as previously reported under IGAAP to Ind AS.

Particulars	Refer Note No	Balance Sheet as at 31st March 2016			Balance Sheet as at 1st April 2015		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
<b>Assets:</b>							
<b>Non-Current Assets</b>							
Property, Plant and Equipment		376.40	-	376.40	233.41	-	233.41
Capital Work in Progress		275.96	-	275.96	9.76	-	9.76
Goodwill	1, 2	9,524.45	(9,520.52)	3.93	6,714.84	(6,714.84)	-
Financial Assets		-	-	-	-	-	-
Investments	3, 4	16,456.56	(11,275.33)	5,181.23	15,019.43	(11,277.96)	3,741.46
Loans		-	-	-	-	-	-
Other Financial Assets		907.80	-	907.80	1,055.92	-	1,055.92
Other non-current assets		14,199.64	-	14,199.64	15,218.91	-	15,218.91
		<b>41,740.81</b>	<b>(20,795.85)</b>	<b>20,944.96</b>	<b>38,252.27</b>	<b>(17,992.80)</b>	<b>20,259.46</b>
<b>Current Assets</b>							
Inventories		38,754.01	-	38,754.01	29,267.30	-	29,267.30
Financial Assets		-	-	-	-	-	-
Trade receivables		563.57	-	563.57	302.48	-	302.48
Loans		20,314.20	-	20,314.20	138.54	-	138.54
Cash and cash equivalents		119.61	-	119.61	94.11	-	94.11
Other Financial Assets		1,332.40	-	1,332.40	52.34	-	52.34
Other current assets		41.89	-	41.89	12.13	-	12.13
		<b>61,125.68</b>	<b>-</b>	<b>61,125.68</b>	<b>29,866.90</b>	<b>-</b>	<b>29,866.90</b>
<b>Total Assets</b>		<b>1,02,866.49</b>	<b>(20,795.85)</b>	<b>82,070.64</b>	<b>68,119.17</b>	<b>(17,992.80)</b>	<b>50,126.36</b>
<b>Equity &amp; Liabilities:</b>							
<b>Equity</b>							
Equity Share Capital		24,396.25	-	24,396.25	24,396.25	-	24,396.25
Other equity	5.2.3	18,981.18	(20,615.72)	(1,634.54)	14,259.56	(17,853.16)	(3,593.61)
Minority Interest		4,122.49	8.53	4,131.02	(665.87)	-	(665.87)
Equity Component of Parent Company	5.2.3	-	707.00	707.00	-	707.00	707.00
		<b>47,499.92</b>	<b>(19,900.19)</b>	<b>27,599.72</b>	<b>37,989.94</b>	<b>(17,146.16)</b>	<b>20,843.77</b>
<b>Non-Current Liabilities</b>							
Financials Liabilities							
Borrowings	5,9	17,756.32	(831.26)	16,925.06	14,266.24	(846.64)	13,419.60
Other financial Liabilities		-	-	-	-	-	-
Provisions		54.55	-	54.55	16.76	-	16.76
Other non current Liabilities		8,152.57	-	8,152.57	8,216.46	-	8,216.46
		<b>25,963.44</b>	<b>(831.26)</b>	<b>25,132.18</b>	<b>22,499.46</b>	<b>(846.64)</b>	<b>21,652.82</b>
<b>Current liabilities</b>							
Financial Liabilities							
Borrowings		19,353.38	-	19,353.38	-	-	-
Trade Payables		134.11	-	134.11	576.63	-	576.63
Other financial liabilities		3,042.61	-	3,042.61	523.68	-	523.68
Provisions	7	1,138.57	(64.40)	1,074.17	189.16	-	189.16
Other Liabilities		5,734.47	-	5,734.47	6,340.30	-	6,340.30
		<b>29,403.13</b>	<b>(64.40)</b>	<b>29,338.74</b>	<b>7,629.77</b>	<b>-</b>	<b>7,629.77</b>
<b>Total Equity &amp; Liabilities</b>		<b>1,02,866.49</b>	<b>(20,795.85)</b>	<b>82,070.64</b>	<b>68,119.17</b>	<b>(17,992.80)</b>	<b>50,126.36</b>

## 5.2.2. Reconciliation statement of Profit and Loss as previously reported under IGAAP to Ind AS

Particulars	Refer Note No	01-Apr-15 to 31-Mar-16		
		IGAAP	Adjustment	Ind AS
Revenue from operations		14,794.95	-	14,794.95
Other income	4	938.62	2.11	940.73
<b>Total Income (i)</b>		<b>15,733.57</b>	<b>2.11</b>	<b>15,735.68</b>
<b>Expenses</b>				
Cost of Film Production expenses		9,175.36	-	9,175.36
Change in inventories of finished goods, work in progress and stock in trade		184.06	-	184.06
Purchase of Intangible Asset		10.69	-	10.69
Employee Benefit Expenses	8	608.17	(0.46)	607.71
Finance Costs	5	5,102.82	15.38	5,118.20
Depreciation and Amortisation		115.55	-	115.55
Other Operating and General Expenses	7	1,352.69	(64.40)	1,288.29
Contingent Provision on Standard Assets		9.86	-	9.86
<b>Total Expenses (ii)</b>		<b>16,559.20</b>	<b>(49.48)</b>	<b>16,509.72</b>
<b>Profit/(loss) before exceptional items (iii)=(i)-(ii)</b>		<b>(825.63)</b>	<b>51.59</b>	<b>(774.04)</b>
Exceptional items (iv)	2,6	(14.63)	(1,214.45)	(1,229.08)
<b>Profit/(loss) before tax (v)=(iii)-(iv)</b>		<b>(811.00)</b>	<b>1,266.04</b>	<b>455.04</b>
(1) Current tax		444.08	-	444.08
Less: MAT Credit		(21.71)	-	(21.71)
(2) Deferred tax		-	-	-
(3) Income tax for earlier years		-	-	-
<b>Income tax expense (vi)</b>		<b>422.37</b>	<b>-</b>	<b>422.37</b>
<b>Profit/(loss) for the period (vii)= (v)-(vi)</b>		<b>(1,233.37)</b>	<b>1,266.04</b>	<b>32.67</b>
<b>Other Comprehensive Income</b>				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligations as per actuarial valuation			(0.46)	(0.46)
Income tax effect		-	-	-
<b>Other Comprehensive income, net of tax (viii)</b>		<b>-</b>	<b>(0.46)</b>	<b>(0.46)</b>
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (ix) =(vii)+(viii)</b>		<b>(1,233.37)</b>	<b>1,265.58</b>	<b>32.21</b>

## 5.2.3. Reconciliation of Total Equity as at 31st March 2016 and 01st April 2015

Particulars	Refer Note No	As at 31 <sup>st</sup> March 2016	As at 01 <sup>st</sup> April 2015
<b>Total Equity (Shareholders Fund) under Previous GAAP</b>		<b>47,499.92</b>	<b>37,989.94</b>
<b>Adjustments:</b>			
Goodwill Written off as on 01.04.2015	1	(4,554.51)	(4,554.51)
Amortised Goodwill for the period ended 31st March 2016	1	1,517.92	-
Impairment of Goodwill	2	(6,483.93)	(2,160.33)
Gain/(Loss) on Fair value of Equity Instruments	3	(11,277.96)	(11,277.96)
Compulsorily Convertible Debentures	9	707.00	707.00
Remeasurement of loans	5	124.26	139.64
Gain on Fair Value of Mutual Funds	4	2.11	-
Other Adjustments	7	64.40	-
<b>Total Equity under Ind AS</b>		<b>27,599.72</b>	<b>20,843.78</b>

**5.2.4. Reconciliation of Profit After Tax (PAT) as previously reported under GAAP vs Ind AS**

Particulars	Refer Note No	For the year ended 31 <sup>st</sup> March 2016
<b>Net Profit/(Loss) after tax as previous Indian GAAP</b>		<b>(1,233.37)</b>
Increased in Profit is due to		
Impairment of Goodwill	2	(785.44)
Gain arising on account of loss of control	6	1,999.89
Increase in finance cost due to remeasurements of loans	5	(15.38)
Other Adjustments	7	64.40
Gain on Fair Value of Mutual Funds	4	2.11
Remeasurements of employment benefit obligation	8	0.46
<b>Net Profit/ (Loss) after Tax before OCI as per the IND AS</b>		<b>32.67</b>

**5.2.5. Statement of Cash Flows**

There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

**Explanation Notes****Note No 1 : Business Transition Adjustment Reserve**

Consequent upon merger of erstwhile PVP Ventures Private Limited with the Software Solution Integrated Limited (SSI Limited), goodwill of Rs. 15,179.21 Lakhs was created which represents the excess of liabilities over assets taken over on merger. In terms of the Scheme of Amalgamation and the decision of the Board, it is being written off in a phased manner over a period of 10 Years beginning 01st April 2008. As on Transition date i.e 01/04/2015, Balance goodwill amounting to Rs. 4,554.51 Lakhs was written off as Business Transition Adjustment Reserve.

**Note No 2: Impairment of Goodwill**

Goodwill is tested for impairment on an annual basis and wherever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operation results, business plans, future cash flows and economic conditions.

**Note No 3: Gain/ (Loss) on fair value of Equity Instruments**

Under Ind AS, Investments in Equity Instruments (other than of subsidiaries and associates) are carried at fair value through Other Comprehensive Income as compared to being carried at cost under previous GAAP. The adjustments represents the difference in the fair value and the cost of investments in equity instruments.

**Note No 4: Investments in Mutual Funds**

Under Previous GAAP, the Group accounted for investments in Mutual Funds measured at lower of cost or fair value. Under Ind AS, the Group has designated such investments at fair value through profit and loss which are to be measured at fair value at each reporting date. The difference between the fair value of these instruments and previous GAAP carrying amount has been adjusted in equity as on transition date.

**Note No 5: Borrowings**

Under Ind AS, Borrowings are recorded initially at fair value and are subsequently measured at amortised cost as per the Effective Interest Rate (EIR) Method.

**Note No 6: Loss of Control in Subsidiaries**

During the year 2015-16, PVP Ventures Limited had lost the control on Blasters Sports Ventures Private Limited. The Group derecognises the parent's share of loss of Rs. 1,999.89 Lakhs, which is grouped under exceptional items.

**Note No 7: Other Adjustments**

The Group derecognises the Corporate Social Responsibility Expenditure as per Ind AS 101 "First time adoption of Indian Accounting Standards".

**Note No 8: Net Gain/ (loss) on fair value of defined benefit plans**

Under Ind AS, actuarial gains and losses are recognised in the OCI as compared to being recognised in the Statement of Profit and Loss under the previous GAAP.

**Note No 9: Other Equity**

The Group had issued 707, Zero Percent Compulsory Convertible Debentures of Rs. 1,00,000/- each, which are mandatorily convertible into equity shares of the Company either upon occurrence of a trigger event (which is defined to include public offering, takeover or merger etc. of the Company) or in case of non-occurrence of a Trigger Event, at any time during the period between Five (5) years to Ten (10) years from the date of issuance of the Compulsory Convertible Debentures i.e. between June 16, 2014 and June 16, 2019. During the year, no such trigger event has taken place.

Hence the debentures are considered as Equity component of Parent Company grouped under Equity.

## Notes to the Consolidated Financial Statements for the year ended 31st March 2017

### Note No 6.1 : PROPERTY, PLANT & EQUIPMENT

(Rs in Lakhs)

Particulars	Plant & Machinery	Computers & Related Assets	Furniture & Fixtures	Vehicles	Office Equipments	Total
<b>Gross Block</b>						
<b>As at 01st April 2015</b>	<b>2.35</b>	<b>11.14</b>	<b>73.43</b>	<b>54.59</b>	<b>91.90</b>	<b>233.41</b>
Acquisition of Subsidiary	1.22	14.02	18.06	136.14	57.01	226.45
Additions	-	12.12	1.37	6.63	12.20	32.32
Deletions	-	(0.75)	-	-	(0.25)	(1.00)
<b>As at 31st March 2016</b>	<b>3.57</b>	<b>36.53</b>	<b>92.86</b>	<b>197.36</b>	<b>160.86</b>	<b>491.18</b>
Additions	0.63	3.35	-	136.34	13.68	154.00
Disposals	-	-	-	(17.69)	(0.09)	(17.78)
<b>As at 31st March 2017</b>	<b>4.20</b>	<b>39.88</b>	<b>92.86</b>	<b>316.01</b>	<b>174.45</b>	<b>627.40</b>
<b>Depreciation</b>						
<b>For the period 2015-16</b>						
Charges for the period	0.70	16.71	14.19	34.66	49.30	115.56
on disposals	-	(0.54)	-	-	(0.24)	(0.78)
<b>As at 31st March 2016</b>	<b>0.70</b>	<b>16.17</b>	<b>14.19</b>	<b>34.66</b>	<b>49.06</b>	<b>114.78</b>
<b>For the period 2016-17</b>						
Charges for the period	0.81	6.90	14.20	43.50	45.46	110.87
on Disposals	-	-	-	(6.46)	(0.09)	(6.55)
<b>As at 31st March 2017</b>	<b>0.81</b>	<b>6.90</b>	<b>14.20</b>	<b>37.04</b>	<b>45.37</b>	<b>104.32</b>
<b>Net Block</b>						
<b>As at 31st March 2016</b>	<b>2.87</b>	<b>20.36</b>	<b>78.67</b>	<b>162.70</b>	<b>111.80</b>	<b>376.40</b>
<b>As at 31st March 2017</b>	<b>2.69</b>	<b>16.81</b>	<b>64.47</b>	<b>244.30</b>	<b>80.02</b>	<b>408.29</b>

Note: Gross Block as on 01.04.2015 represents deemed cost (Gross Block - Accumulated Depreciation) as per Ind AS 101.

### 6.2 CAPITAL WORK IN PROGRESS

(Rs in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
Capital Work in Progress	865.70	275.96	9.76
<b>Total Capital Work in Progress</b>	<b>865.70</b>	<b>275.96</b>	<b>9.76</b>

### 6.3 INTANGIBLE ASSETS

(Rs in Lakhs)

Particulars	Software	Total	Goodwill
<b>Gross Block</b>			
<b>As at 01st April 2015</b>	-	-	-
Acquisition of subsidiary	-	-	4,639.37
Additions	-	-	-
Deletions	-	-	-
<b>As at 31st March 2016</b>	-	-	<b>4,639.37</b>
Additions	8.26	8.26	-
Disposals	-	-	-
<b>As at 31st March 2017</b>	<b>8.26</b>	<b>8.26</b>	<b>4,639.37</b>
<b>Amortisation</b>			
<b>For the period 2015-16</b>			
Charges for the period	-	-	-
on disposals	-	-	-
Impairment	-	-	4,635.44
<b>As at 31st March 2016</b>			<b>4,635.44</b>
<b>For the period 2016-17</b>			
Charges for the period	0.59	0.59	-
on Disposals	-	-	-
<b>As at 31st March 2017</b>	<b>0.59</b>	<b>0.59</b>	
<b>Net Block</b>			
As at 31st March 2016	-	-	<b>3.93</b>
As at 31st March 2017	<b>7.67</b>	<b>7.67</b>	<b>3.93</b>



## Notes to the Consolidated Financial Statements for the year ended 31st March 2017

Particulars		As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
<b>Note 7</b>	<b>Investments</b>			
	<b>Non-Current Investments</b>			
A.	Investment in equity instruments			
	<b>(I) Investment carried at cost, fully paid up</b>			
	<b>(i) Quoted</b>			
	Picturehouse Media Limited	-	-	5,772.38
	(As on 01st April 2015 - 1,87,89,405 Equity shares of Rs. 10 each.)			
	Less: Provision for diminution in value of investment	-	-	(3,850.00)
	Aptech Limited 100 equity shares of Rs.10 each paid up		0.05	0.05
		-	<b>0.05</b>	<b>1,922.43</b>
	<b>(ii) Unquoted</b>			
	Blasteres Sports Ventures Private Limited	3,316.52	3,316.52	-
	(A)	<b>3,316.52</b>	<b>3,316.57</b>	<b>1,922.43</b>
	<b>II. Investment in Equity Shares in Others carried at fair value through Other Comprehensive Income</b>			
	<b>(iii) Unquoted</b>			
	Jagati Publications Limited 36,38,053 shares at a premium of Rs. 350/- per share	13,096.99	13,096.99	13,096.99
	Less: Provision for diminution in value of investment	(11,277.96)	(11,277.96)	(11,277.96)
	(B)	<b>1,819.03</b>	<b>1,819.03</b>	<b>1,819.03</b>
	<b>III. Investments in Mutual Funds carried at Fair value through Profit and Loss</b>			
	Investment in Canara Robeco Mutual Funds	49.70	45.63	-
	(C)	<b>49.70</b>	<b>45.63</b>	-
	<b>IV. Investment in Debentures (unquoted)</b>			
	Crust Realtors Private Limited	328.00	328.00	328.00
	3280 - 0% Optional Convertible Debentures of Rs.10,000/- each			
	Mantel Realtors Private Limited	500.00	500.00	500.00
	5000 - 0% Optional Convertible Debentures of Rs.10,000/- each			
	P'n'V Real Estates & Developers Private Limited	450.00	450.00	450.00
	4500 - 0% Optional Convertible Debentures of Rs.10,000/- each			
	Stone Valley Real Estates Private Limited	350.00	350.00	350.00
	3500 - 0% Optional Convertible Debentures of Rs.10,000/- each			
	Hercules Real Estates and Projects Private Limited	20.00	20.00	20.00
	200 - 0% Optional Convertible Debentures of Rs.10,000/- each			
		<b>1,648.00</b>	<b>1,648.00</b>	<b>1,648.00</b>
	Less: Provision for diminution in value of Investments in Debentures (Refer Note No:27.8)	1,648.00	1,648.00	1,648.00
	(D)	-	-	-
	<b>Total Non-Current Investments</b>	<b>(A+B+C+D) 5,185.25</b>	<b>5,181.23</b>	<b>3,741.46</b>
	Aggregate amount of quoted investments	49.70	45.68	5,772.43
	Aggregate amount of debentures	1,648.00	1,648.00	1,648.00
	Aggregate amount of unquoted investments	16,413.51	16,413.51	13,096.99
	Aggregate amount of impairment in value of investments	(12,925.96)	(12,925.96)	(16,775.96)
	<b>Total</b>	<b>5,185.25</b>	<b>5,181.23</b>	<b>3,741.46</b>
<b>Note 8</b>	<b>Trade Receivables</b>			
	<b>Current</b>			
	Unsecured			
	Considered good	2,265.17	563.57	302.48
	<b>Total Trade Receivables</b>	<b>2,265.17</b>	<b>563.57</b>	<b>302.48</b>
<b>Note 9</b>	<b>Loans</b>			
	<b>Current Loans</b>			
	Unsecured and Considered good			
	Staff Advances	272.13	272.64	138.54
	Advances for Film Finance	17,005.91	20,027.89	-
	Advances for others	-	13.67	-
		<b>17,278.04</b>	<b>20,314.20</b>	<b>138.54</b>
	<b>Non-Current Loans</b>			
	Unsecured and Considered good			
	Other Doubtful Advances	90.00	90.00	90.00
	Less : provision for Doubtful advances made	(90.00)	(90.00)	(90.00)
		-	-	-
	<b>Total Loans</b>	<b>17,278.04</b>	<b>20,314.20</b>	<b>138.54</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March 2017

Particulars		As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
<b>Note 10</b>	<b>Other Financial Assets</b>			
	<b>Non-Current</b>			
	Security Deposit	34.33	58.30	177.92
	Rental Deposits	24.00	24.00	24.00
	Advance to Others	140.00	825.50	854.00
		<b>198.33</b>	<b>907.80</b>	<b>1,055.92</b>
	<b>Current</b>			
	Interest accrued and Due on Fixed Deposit	0.53	0.53	0.53
	Interest accrued on Movie Finance	1,248.25	1,159.19	-
	Interest accrued and Due on Staff Loans	129.43	138.83	51.81
	Interest accrued but not due on Debentures	63.00	33.17	-
	Interest accrued on others	0.14	0.10	-
	Other Financial Assets	106.40	0.58	-
		<b>1,547.75</b>	<b>1,332.40</b>	<b>52.34</b>
	<b>Total Other Financial Assets</b>	<b>1,746.08</b>	<b>2,240.20</b>	<b>1,108.26</b>
<b>Note 11</b>	<b>Other Assets</b>			
	<b>Non-Current</b>			
	Advance Income Tax, Tax deducted at source	1,032.35	1,326.38	1,012.68
	Capital Advances	-	44.70	0.28
	Other Assets	12,920.53	12,828.56	14,205.95
		<b>13,952.88</b>	<b>14,199.64</b>	<b>15,218.91</b>
	<b>Current</b>			
	Prepaid Expenses	10.44	10.38	11.75
	Other Advances	31.62	-	-
	MAT Credit (Tax Credit)	1,363.25	21.71	-
	Service tax Input Credit	18.79	9.80	0.38
		<b>1,424.10</b>	<b>41.89</b>	<b>12.13</b>
	<b>Total Other Assets</b>	<b>15,376.98</b>	<b>14,241.53</b>	<b>15,231.04</b>
<b>Note 12</b>	<b>Inventory</b>			
	Inventory of Land	28,904.70	29,103.25	29,267.30
	Film Production Expenses - Work in Progress - (Valued at cost or net realised value which ever is less and as certified by the Management.)	4,944.88	9,650.76	-
		<b>33,849.58</b>	<b>38,754.01</b>	<b>29,267.30</b>
<b>Note 13</b>	<b>Cash &amp; Cash Equivalents</b>			
	Balance With Banks			
	In Current and Deposit Accounts	589.39	114.12	93.46
	Cash on Hand	0.84	5.49	0.65
		<b>590.23</b>	<b>119.61</b>	<b>94.11</b>

**Note 14: EQUITY SHARE CAPITAL****(a) Authorised, Issued, Subscribed and Paid-up share capital and par value per share**

(Rs in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
<b>Authorised Share Capital</b>			
30,00,00,000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00	30,000.00
<b>Issued, Subscribed and Paid Up</b>			
24,50,52,701 equity shares of Rs. 10 each	24,505.27	24,505.27	24,505.27
Less: 10,90,235 equity shares held by PVP Global Venture Private Limited	109.02	109.02	109.02
	<b>24,396.25</b>	<b>24,396.25</b>	<b>24,396.25</b>

**(b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:**

Particulars	As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
Number of equity shares outstanding as at the beginning of the year	2450,52,701	2450,52,701	2450,52,701
Add: Number of Shares allotted during the year	-	-	-
Less: Number of Shares held by Subsidiary Company	(10,90,235)	(10,90,235)	(10,90,235)
<b>Number of equity shares outstanding as at the end of the year</b>	<b>2439,62,466</b>	<b>2439,62,466</b>	<b>2439,62,466</b>



## Notes to the Consolidated Financial Statements for the year ended 31st March 2017

### (c) Shares in the company held by each shareholder holding more than 5%:

Name of shareholder	As at 31st March 2017		As at 31st March 2016		As at 01st April 2015	
	No of Shares held	% of holding	No of Shares held	% of holding	No of Shares held	% of holding
Platex Limited	1326,12,766	54.12	1326,12,766	54.12	1326,12,766	54.12
SSG India Opportunities I Limited	245,05,270	10.00	245,05,270	10.00	245,05,270	10.00

(d) 13,409,314 equity shares of Rs. 10 each fully paid-up in cash has been issued to Platex Limited upon conversion of 27,355 FCDs of Rs. 100,000 each at conversion price of Rs. 204 per share in terms of the Scheme of Amalgamation during 2010-11.

(e) PVP Global Ventures Private Limited (PVPGVPL) holds 10,90,235 equity shares of PVP Ventures Limited, as these shares were acquired before the company became its subsidiary. However, PVP Global Ventures Private Limited (PVPGVPL) does not have any rights to vote at meetings of PVP Ventures Limited or any class of members thereof over these shares.

### (f) Terms / Rights attached to Equity Shares (eg. Dividend rights, Voting Rights)

The company has only one class of equity shares having a par value of Rs. 10/- Per share. Each Holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the proportion to the number of equity shares held by the shareholders.

(g) The company does not have any Bonus Shares Issued, Share issued for consideration other than Cash and Shares bought back during the period of five years immediately preceding the reporting date (31.03.2017).

(h) The company does not issued any shares under options.

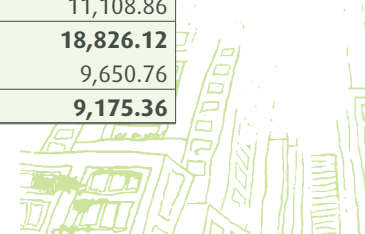
(Rs in Lakhs)

Particulars		As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
<b>Note 15</b>	<b>Borrowings</b>			
	<b>Non-Current</b>			
	<b>Secured Loans</b>			
	From Banks	430.52	-	-
	From Companies	3,739.24	3,616.84	106.10
	From Banks - Vehicle Loans	105.93	31.62	31.76
	Current Maturity of Long Term Debt - Vehicle Loans	(44.62)	(12.40)	(7.26)
	<b>Unsecured Loans</b>			
	Debentures			
	13,289, 14.5% Redeemable Fully Convertible Debentures (FCDs) of Rs.100,000 each.	13,289.00	13,289.00	13,289.00
		<b>17,520.07</b>	<b>16,925.06</b>	<b>13,419.60</b>
	<b>Current</b>			
	From Banks (including interest accrued and due)	11,661.88	11,634.57	-
	From Companies	1,566.38	7,718.81	-
		<b>13,228.26</b>	<b>19,353.38</b>	-
	<b>Total Borrowings</b>	<b>30,748.33</b>	<b>36,278.44</b>	<b>13,419.60</b>
	Refer Note No. 27.20 for security details and terms of repayment			
<b>Note 16</b>	<b>Trade Payables</b>			
	Sundry Creditors for services	648.78	134.11	576.63
		<b>648.78</b>	<b>134.11</b>	<b>576.63</b>
<b>Note 17</b>	<b>Other Financial Liabilities</b>			
	<b>Current</b>			
	Interest accrued but not due Debentures	3,853.81	1,926.91	-
	Current Maturity of Long Term Debt	44.62	12.40	7.26
	Employee related payables	44.00	48.04	2.70
	Interest accrued and due on borrowings	497.08	541.54	-
	Provision for Expenditure	41.19	513.72	513.72
		<b>4,480.70</b>	<b>3,042.61</b>	<b>523.68</b>
	<b>Total Other Financial Liabilities</b>	<b>4,480.70</b>	<b>3,042.61</b>	<b>523.68</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March 2017

Particulars		As at 31st March 2017	As at 31st March 2016	As at 01st April 2015
<b>Note 18</b>	<b>Provisions</b>			
	<b>Non-Current</b>			
	Provision for Employee Benefits Gratuity	24.12	54.55	16.76
		<b>24.12</b>	<b>54.55</b>	<b>16.76</b>
	<b>Current</b>			
	Provision for Employee Benefits Gratuity	4.94	3.34	0.69
	Compensated Absences	17.43	98.74	56.26
	Provision for Income tax	979.92	910.71	132.21
	Provision against Standard Assets	61.38	61.38	-
		<b>1,063.67</b>	<b>1,074.17</b>	<b>189.16</b>
	<b>Total Provisions</b>	<b>1,087.79</b>	<b>1,128.72</b>	<b>205.92</b>
<b>Note 19</b>	<b>Other Liabilities</b>			
	<b>Non-Current</b>			
	Security Deposit from Developer	5,820.81	8,152.57	8,216.46
		<b>5,820.81</b>	<b>8,152.57</b>	<b>8,216.46</b>
	<b>Current</b>			
	Advance received from Customers	5,762.91	5,432.40	6,251.03
	Statutory Liabilities payable	606.40	302.07	89.27
		<b>6,369.31</b>	<b>5,734.47</b>	<b>6,340.30</b>
	<b>Total Other Liabilities</b>	<b>12,190.12</b>	<b>13,887.04</b>	<b>14,556.76</b>

Note No	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
<b>Note 20</b>	<b>Revenue from Operations</b>		
	Income from Real Estate	2,695.53	1,852.12
	Income from Movie Rights & Related Activities	9,101.66	9,043.38
	Income from Film Financing Activity	2,675.33	3,886.31
	Sale of Intangible Assets	-	13.14
	Commission income	16.47	-
	Other Operating Income	1,071.00	-
	<b>Total</b>	<b>15,559.99</b>	<b>14,794.95</b>
<b>Note 21</b>	<b>Other Income</b>		
	Interest income on Income tax refund	32.54	-
	Interest income on Staff Advances	-	19.23
	Profit on Sale of Assets	0.52	-
	Sundry Creditors Written off	2.40	-
	Miscellaneous Income	35.31	2.72
	Interest Income	36.12	899.87
	Provisions no longer required	-	18.91
	<b>Total</b>	<b>106.89</b>	<b>940.73</b>
<b>Note 22</b>			
<b>a</b>	<b>Cost of Land</b>		
	Opening Stock of Land	6,893.45	7,077.51
	Add: Current year Expenses	-	-
		<b>6,893.45</b>	<b>7,077.51</b>
	Less: Closing Stock of Land	6,694.94	6,893.45
		<b>198.51</b>	<b>184.06</b>
<b>b</b>	<b>Cost of Film Production Expenses</b>		
	Opening Film Production Expenses	9,650.76	7,717.26
	Add: Current year Expenses	5,076.73	11,108.86
		<b>14,727.49</b>	<b>18,826.12</b>
	Less: Closing Film Production Expenses	4,944.88	9,650.76
	<b>Total</b>	<b>9,782.61</b>	<b>9,175.36</b>



## Notes to the Consolidated Financial Statements for the year ended 31st March 2017

Note No	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
<b>Note 23</b>	<b>Employee Benefit Expenses</b>		
	Salaries and wages	417.54	580.87
	Contribution to Provident and other funds	5.23	7.77
	Staff welfare expenses	9.36	16.38
	Retirement Benefits	-	2.69
	<b>Total</b>	<b>432.13</b>	<b>607.71</b>
<b>Note 24</b>	<b>Finance Cost</b>		
	Interest on Loans	2,790.46	3,191.29
	Interest on Others	0.09	-
	Interest on Debentures	1,926.91	1,926.91
		<b>4,717.46</b>	<b>5,118.20</b>
<b>Note 25</b>	<b>Other Expenses</b>		
	Rent	110.01	159.64
	Insurance		
	- For Employees	6.05	11.96
	- For Vehicles	5.03	1.67
	Power and Fuel	17.91	27.47
	Printing and Stationery	20.36	29.27
	Communication Expenses	20.90	27.48
	Repairs and Maintenance	18.24	47.79
	Books and Periodicals	0.34	0.18
	Registration Charges	4.06	0.68
	Security Charges	16.03	15.56
	Rates and taxes	16.51	59.32
	Payment to statutory auditors		
	for Statutory Audit	31.71	36.46
	for tax audit	5.00	5.88
	for certification	6.00	6.65
	Directors Sitting Fees	9.13	10.99
	Legal, Professional and consultancy	192.52	169.06
	Office Maintenance	56.80	71.30
	Advertisement, publicity and sales promotion	2.39	2.65
	Bank Charges	0.87	0.23
	Business Promotion Expenses	0.55	-
	Investor related expenses including Listing Fees	21.37	21.81
	Travelling Expenses including Conveyance	78.34	136.01
	Charity and Donations	-	20.11
	Postage and telegram Expenses	3.33	5.72
	Service Tax	4.22	417.75
	Bad debts Written Off	10.84	1.34
	Provision for Doubtful Advances	12.09	-
	Loss on sale of asset	0.89	0.02
	Exchange Fluctuation Loss	-	0.04
	Advances Written Off	4.78	-
	Interest on Staff Loans written off	4.63	-
	Miscellaneous expenses	4.73	1.25
	Investments Written off	0.05	-
		<b>685.68</b>	<b>1,288.29</b>
<b>Note 26</b>	<b>Exceptional Items</b>		
	Income from Liabilities written off	-	(387.88)
	Prior period Expenses	-	33.50
	Advances and Investments written off	-	3.49
	Excess provision on Employee Benefits Written back	(46.32)	-
	Liabilities Written Back	(56.45)	-
	Goodwill on Merger	-	321.49
	Merger Expenses	-	14.77
	Gain arising on account of loss of control (refer note no: 27.12)	-	(1,999.89)
	Impairment of Goodwill	-	785.44
		<b>(102.77)</b>	<b>(1,229.08)</b>

## Summary of significant accounting policies and other explanatory information to the Consolidated Ind AS Financial Statements for the year ended 31st March 2017

### 27. NOTES TO ACCOUNTS

#### 27.1 Joint Development Agreement

The Company, being the Land owner has signed an Joint Development Agreement (JDA) on 6<sup>th</sup> Apr 2011 with the Developer, North Town Estates Private Limited for development of land of approximately 70 Acres (1,259.90 grounds). The company received Security deposit of Rs. 10,000 Lakhs in the year 2011 for the same.

Since there were delays in execution of the "North Town" project, the Company negotiated and modified the terms and conditions of the JDA vide Amendment dated 04th May 2016 whereby the Developer released 20 acres (343.69 Grounds) undeveloped land back to the Company. It was agreed by the company that the proportionate Security Deposit of Rs. 3,161.13 Lakhs will be returned to the Developer against the future collections.

Further, on 27th April, 2017, the company entered into a Development Management Agreement (DMA) with Arihant Foundations and Housing Limited to develop residential lay out with infrastructure and amenities in the land released by the developer i.e 20 Acres.

#### 27.2 Lease Rentals

The Group has entered into operating lease agreements for office premises and an amount of Rs. 110.01 Lakhs (2016: Rs. 159.64 Lakhs) paid under such agreement have been charged to statement of Profit & Loss.

The details with regard to operating lease obligations with respect to Office premises are as under.

(Rs. in Lakhs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Due within 1 year from the Balance Sheet date	146.25	144.23
Due between 1 and 5 years	483.53	523.20
Due after 5 years	443.25	414.25

#### 27.3 Micro, Small and Medium Enterprises:

The Group has not received any intimation from suppliers, regarding their status, under Micro, Small and Medium Enterprises Development Act, 2006 and hence the required disclosures such as amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been given.

#### 27.4 Earnings per Share (EPS)

Particulars	Refer	Year ended March 31, 2017	Year ended March 31, 2016
Nominal Value of Equity Shares (Rs. per Share)	A	10	10
Weighted average number of Equity Shares outstanding during the period	B	24,50,52,701	24,50,52,701
Profit/(Loss) after Taxes after exceptional items (Rs. in Lakhs)	C	821.80	32.67
Earnings Per Share – Basic and diluted	C*100000/B	0.34	0.01

#### 27.5 Deferred Tax

Deferred tax asset has not been recognised on the following items:

(Rs. in Lakhs)

Particulars	31st March 2017		31st March 2016	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Deductible temporary differences	2,211.75	731.20	3,037.60	1,004.23
Tax Losses	1,427.94	472.08	1,572.97	520.02
MAT Credit – Tax Credit	1,363.26	450.69	1,279.92	423.14
<b>Total</b>	<b>5,002.95</b>	<b>1,653.97</b>	<b>5,890.49</b>	<b>1,947.39</b>

Considering the principles of prudence, the above deferred tax asset has not been recognised as at 31.03.2017.

#### Income Taxes

(Rs in Lakhs)

Particulars	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
Current tax	339.10	444.08
Less: MAT Credit	(83.34)	(21.71)
MAT Credit/Income Tax for earlier years	(1,235.76)	-
Income tax expenses	(980.00)	422.37
Deferred tax	-	-
<b>Total Income tax Expenses</b>	<b>(980.00)</b>	<b>422.37</b>

Particulars	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
Profit/ (Loss) from the operation before income tax expenditure	(613.28)	(1,509.44)
Applicable Income tax rate (MAT Rate-20.389%)	33.06%	33.99%
Tax effect of amount which are not deductible in calculating taxable income:	363.02	408.70
Effect of expenses not allowed for tax purpose	61.24	35.89
Effect of income not considered for tax purpose	(82.79)	(0.51)
Income tax on Other Comprehensive Income	(2.37)	
MAT Credit	(83.34)	(21.71)
MAT Credit/Income tax for Earlier Years	(1,235.76)	-
<b>Income tax Expenses charged to Profit or Loss</b>	<b>(980.00)</b>	<b>422.37</b>

#### 27.6 Other Items

During the year 2015-16, Bloomfield Power Projects Private Limited was merged with the PVP Global Ventures Private Ltd, which is a 100% subsidiary of PVP Ventures Ltd in all share swap deal as per the scheme of merger approved by High Court of Madras on 24<sup>th</sup> July 2015 with the appointed date of merger as 10<sup>th</sup> November 2014. After the said merger the Group has become subsidiary of PVP Ventures Limited (PVP). Total Investment of 51.46% in Picturehouse Media Limited is held by PVP Ventures Limited along with its subsidiaries, goodwill arising on merger amounting to Rs. 321.49 Lakhs and merger expenses of Rs. 14.77 Lakhs has been written off as exceptional items.

#### 27.7 Exceptional Items

During the year 2015-16, a subsidiary company PVP Island Private Limited, where no possible business activity existed has been struck off from the registrar of Companies under section 560 of the companies Act, 1956. The resultant loss on derecognition of investment and loans is written off and shown as exceptional item in the Statement of Profit & Loss Account.

During the year 2015-16, the company has disinvested and moved away from the sports activities in all the sports ventures. Blaster Sports Ventures Private Ltd, which is a subsidiary company has been dis invested and it ceased to be a subsidiary with effect from 19th November 2015. As a part of dis investment exercise the debentures subscribed in Blaster sports ventures Private Ltd i.e. 1% Compulsory Convertible Cumulative Debentures has been converted to 1% Redeemable Non-convertible Cumulative Unsecured Debentures as of 19th October 2015. Henceforth, the company shall not be responsible for any liability relating to aforesaid Sports venture and hence the excess liability provided in the books was written back and shown as exceptional item in the Statement of Profit & Loss Account.

**27.8** During the financial year 2009-10, The Group had invested a sum of Rs. 1,648.00 Lakhs in 0% Optionally Convertible Debentures (OCDs) of Companies, which are engaged in developing real estate projects. These Optionally Convertible Debentures (OCDs) are convertible within 10 years into fully paid equity shares of these investee companies at price to be determined at the time of conversion. The Management has reviewed these investments and as a matter of prudence provision for the entire value has been made in the earlier years. Hence no further provisions are required to be made.

**27.9** The Group holds investments aggregating to Rs. 13,097.00 Lakhs (2016: Rs. 13,097.00 Lakhs) in the equity shares of Jagati Publications Limited. The valuation based on the business potential provided by the companies, generation of revenues and recoverability of the securities the provisions have been reviewed and accordingly provision made amounting to Rs. 11,277.96 Lakhs in the previous years are adequate and do not foresee any additional provision required for the year 2016-17. The physical share certificates of the said investments are pending release from Investigating authorities which couldn't establish any quid pro quo against the group.

**27.10** The Group has advanced a sum of Rs. 12,919.64 Lakhs (PY: 12,827.67 Lakhs) towards acquisition of land and other rights for its proposed power project(s). In terms of the arrangements, these parties are required to facilitate acquisition of certain areas of land parcels within 48 months against which these advances are paid off, failing the completion of the land parcel, the group may demand payment of the advance and shall not be obliged to acquire the land parcel from these parties.

**27.11** (a) The current assets of the group include loans and advances and expenditure on films under production. As regards the loans and advances, the management is confident of realising the value at which they are carried notwithstanding the period of outstanding. As regards film under production expenses mainly comprising payments to artists and technicians the group is evaluating options for optimal utilization of these payments in making films. And accordingly the group is confident of realising the entire value of expenditure on films under production. The management does not foresee any erosion in carrying value.

(b) During the year, the group has restructured loans worth Rs. 13,844 Lakhs considering the status of the production of the relevant films of the producers.

(c) During the year, the group has assigned its stressed loans to one of the lenders worth 2,986.21 lakhs.

#### 27.12 Loss of control in Subsidiaries

During the year 2015-16, PVP Ventures Limited had disinvested the investment in equity shares of Blasters Sports Ventures Limited by way of transfer of shares to other promoters of such company, which was considered as a subsidiary from 09th September 2014 and included in consolidated financial statements of 01st April 2015.

Following material adjustments were occurred on account of loss of control:

1. De-recognized the entire assets and liabilities at carried cost.
2. De-recognized the Parents share of loss amounting to Rs. 1,999.89 Lakhs, which is grouped under exceptional items.
3. De-recognized the non-controlling interest liability at carried cost.

### 27.13 Contingent Liabilities

#### PVP Ventures Limited

- a. Assessment Year 2007-08: While giving effect to the order of The Income Tax Appellate Tribunal, Hyderabad, the Assessing Officer (AO) raised demand of Rs. 78.21 Lakhs, by partly considering the value of investments received from Holding Company for allowing proportionate Interest on Debentures, which was disputed with CIT – Appeals, Hyderabad, and the said appeal was dismissed. Aggrieved by the Order, the company filed an appeal with the Income Tax Appellate Tribunal, Hyderabad.

During the year, Hon'ble Income Tax Appellate Tribunal, Hyderabad has allowed the appeal in favour of the company.

- b. Assessment Year 2008-09: The AO passed an order demanding a sum of Rs. 16,497 Lakhs after disallowing the investment received from the Holding Company as unexplained investment and the sale of land and others as unexplained receipts. The appeal filed by company before CIT(A), Chennai was allowed in favour of the company to the extent of Rs. 15,017 Lakhs with respect to the Investments received from the Holding Company. On the order of CIT(A), Chennai, the department has filed an appeal before Income Tax Appellate Tribunal and for the balance disallowance the company has filed a separate appeal before Income Tax Appellate Tribunal, Chennai. Hon'ble Income Tax Appellate Tribunal, Chennai has set aside the order of AO to redo the assessment. Aggrieved by the order passed by Income Tax Appellate Tribunal, Chennai, company has filed an appeal before Honorable High Court of Madras and it has admitted the case and stayed the proceeding of the order of Income Tax Appellate Tribunal.

Further upon the disallowance made by ITAT, Chennai, the AO has initiated penalty proceedings and issued demand notice amounting to Rs. 1,276.58 Lakhs, which is disputed before CIT(A), Chennai. No action against the company can be initiated by the department, since the quantum for the issues is already admitted by the Hon'ble High Court of Madras.

- c. Assessment Year 2009-10: The re-assessment proceeding under section 148 of Income tax Act 1961 was initiated on the grounds of disallowance of Interest expenditure and Depreciation on Plant and Machinery. Consequently, the order was passed with a demand of Rs. 13.24 Lakhs. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai.

During the year, CIT – Appeals has dismissed the company's appeal. Aggrieved by the order of CIT (Appeals) the company has preferred an appeal with Honorable Income Tax Appellate Tribunal, Chennai Bench. Further the company has filed the rectification petition under section 154 for adjusting the unabsorbed losses and unabsorbed depreciation with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

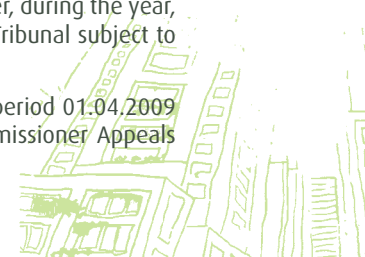
- d. Assessment Year 2013-14: The Assessing Officer has passed order disallowing the notional amount on Investments under section 14A of the Income tax Act, 1961 resulting in a demand of Rs. 493.43 Lakhs. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai. Further the company has filed the rectification petition under section 154 for adjusting the unabsorbed losses and unabsorbed depreciation with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.
- e. Assessment Year 2014-15: The Assessing Officer has passed order disallowing the notional amount on Investments under section 14A of the Income tax Act, 1961 resulting in a demand of Rs. 346.40 Lakhs. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai.

Based on the issues and circumstances in consideration for the above cases and based on the expert advice the Company is confident of success, hence provision for the disputed amount was not provided in the books.

- f. Company has received an order during the previous year from SEBI imposing a penalty of Rs. 15.00 Lakhs for the PVP Ventures Limited and further penalty of Rs. 15.00 Lakhs for Prasad V Potluri as Chairman & Managing Director of the company towards alleged violation of Prohibition of Insider Trading (PIT) Regulations during 2009. The company has challenged the orders before the Securities Appellate Tribunal (SAT).

#### PVP Corporate Parks Private Limited

- a. Assessment Year 2010-11: The Income tax officer has passed assessment order dated 29.03.2013 under section 143(3) for which raised demand of Rs. 793.30 Lakhs. The Hon'ble Income Tax Appellate Tribunal (Income Tax Appellate Tribunal), Chennai Bench has dismissed the Appeal and the same is disputed before Hon'ble High Court of Madras. Out of the demand a sum of Rs. 633.42 Lakhs has been recovered by Income tax authorities from the parent company in earlier years, which has been shown under current assets. Further, during the year, Hon'ble Madras High Court has stayed the operation of the Order of Income Tax Appellate Tribunal subject to payment of Rs. 50 Lakhs. The same has been paid during the year.
- b. The additional commissioner of service tax has passed an order dated 04.01.2003 for the period 01.04.2009 to 31.03.2010, demanding a sum of Rs. 8.84 Lakhs and penalty Rs. 8.84 Lakhs. The Commissioner Appeals



has rejected the Appeal and the same is disputed before Customs, Excise, and Service Tax Appellate Tribunal, Chennai. A sum of Rs. 0.88 Lakhs has been paid pending dispute which is shown under Current Assets.

#### PVP Global Venture Private Limited

- The Enforcement Directorate had provisionally attached the land measuring 28 Acres and 8 Guntas of the Group in connection with the redemption of the investments in Mahalakshmi Energy Ventures Private Limited by the Group. The said attachment order has been confirmed by the Adjudicating Authority of the Enforcement Directorate. The Company has filed an appeal against the said Order. Based on the expert advice, the Company is confident of succeeding before the appellate authority
- The Group has received an order from Securities and Exchange Board of India (SEBI) imposing a penalty of Rs.15 crores for the Group and further penalty of Rs.15 crores for Prasad V Potluri as Promoter Director of the Group towards alleged violation of Prohibition of Insider Trading (PIT) regulations during 2009. Aggrieved by the said orders, the Group has filed an appeal challenging the impugned orders before the Securities Appellate Tribunal (SAT). Considering the facts and circumstances of the issues, the Group is hopeful of succeeding in the appeal, provisions has not been made in the books of accounts
- Assessment Year 2012-13: There is an Income Tax demand of Rs. 4.86 Lakhs pursuant to the scrutiny proceedings under section 143(3) of the Income Tax Act. However, the Company is confident of getting the demand quashed in appeal. Hence no provision has been made.
- Assessment Year 2014-15: There is an Income Tax demand of Rs. 22.40 Lakhs pursuant to the scrutiny proceedings under section 143(3) of the Income Tax Act. However, the Company is confident of getting the demand quashed in appeal. Hence no provision has been made.

#### PVP Cinemas Private Limited

The Income tax assessment for the AY 2009-10 has been completed. The ITAT, Chennai has set aside the order of Assessing Officer (AO) to redo the Assessment which was completed by the AO on 25<sup>th</sup> March 2016 with the demand of Rs. 135.98 Lakhs. The said order has been disputed before CIT (A). The ITAT has directed to pay a sum of Rs. 20 Lakhs pending dispute during the FY 2014-15, which was paid and shown under "Other Non Current Assets".

#### 27.14 Corporate Guarantees

- Company has given mortgage of Perambur land for Business Corporate for a consolidated sum of Rs.2,000 Lakhs with a Non-Banking Financial Company for financial assistance to the company. The outstanding loan by these companies as of 31st March 2017 is Rs. 2,734.40 Lakhs. (Rs. 2,300.75 Lakhs as on 31st March 2016.)
- New Cyberabad City Projects Private Limited**  
The Company has given a Corporate Guarantee for Rs. 45 crores to State Bank of India for the loan availed by Third party. The Company has created a charge on 2 Acres 60 Cents of land at Vishakhapatnam. The outstanding loan as at the year-end is Rs. 40.19 crores (Previous Year: 25.68 crores) to the banker by Third party.

#### 27.15 Employee Benefits

##### a) Defined Benefit Plan

##### Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is a funded Gratuity Scheme.

Gratuity Plan:	(Amount in Rs)	
	31-Mar-17	31-Mar-16
Defined benefit obligation (DBO)	(27,78,213)	(34,88,766)
Fair value of plan assets (FVA)	-	-
<b>Net defined benefit asset/(liability)</b>	<b>(27,78,213)</b>	<b>(34,88,766)</b>

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the balance sheet for defined benefit plans/obligations:

Net employee benefit expense (recognized in Employee Cost) for the year ended 31st March, 2017

Particulars	2016-17	2015-16
Current Service Cost	5,43,758	7,14,374
Net Interest Cost	2,72,123	3,34,504
<b>Total</b>	<b>8,15,881</b>	<b>10,48,878</b>

Amount recognised in Other Comprehensive Income for the year ended 31st March, 2017

Particulars	2016-17	2015-16
Actuarial (gain)/ loss on obligations	(15,26,433)	(18,48,632)

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2017 are as follows:

Particulars	2016-17	2015-16
<b>Opening defined obligation</b>	34,88,766	42,88,520
Current service cost	5,43,757	7,14,374
Interest cost on the Defined Benefit Obligation	2,72,123	3,34,504
Actuarial (gain)/ loss – experience	-	-
Actuarial (gain)/ loss - demographic & Financial assumptions	(15,26,433)	(18,48,632)
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	-	-
<b>Defined benefit obligation</b>	<b>27,78,213</b>	<b>34,88,766</b>

The principal assumptions used in determining gratuity obligation for the Group's plans are shown below:

Particulars	Gratuity	
	31-Mar-17	31-Mar-16
Discount rate (in %)	7.50%	7.80%
Salary Escalation (in %)	7.50%	7.50%

### Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

A quantitative sensitivity analysis for significant assumption as at 31<sup>st</sup> March 2017 is as shown below:

(Amount in Rs)

Particulars	31-Mar-16 (Ind AS-19)		31-Mar-17 (Ind AS -19)	
Defined Benefit Obligation (Base)	34,88,766		27,78,213	
(% change compared to base due to sensitivity)	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	37,38,127	32,69,045	30,09,981	25,78,433
Salary Growth Rate (- / + 1%)	30,43,348	39,79,098	22,75,685	33,49,993
Attrition Rate (- / + 1%)	32,89,377	36,69,449	25,59,459	29,74,530
Mortality Rate (- / + 1%)	34,84,077	34,94,045	27,74,007	27,82,403

### Compensated Absences

The employees of the Company are entitled to compensate absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on the Actuarial certificate.

### b) Defined Contribution Plan

Eligible employees receive benefits under the provident fund which is a defined contribution plan. These contributions are made to the funds administered and managed by the Government of India. The company recognised Rs. 5.23 Lakhs (Previous Year Rs.7.77 Lakhs) for provident fund contribution in the statement of profit or loss account.

## 27.16 Disclosure in Accordance with Ind AS - 24 Related Party Transactions

### a) Names of related parties and nature of relationship

List of related parties where control exists and related parties with whom transactions have taken place and relationships are as follows:

Names of the Related party	Relationship
Platex Limited	Holding Company
Mr. Prasad V. Potluri	Key Managerial Personnel (KMP)
Mr. D. Krishnamoorthy	
Mr. A.Praveen Kumar	
Ms. Mona Rajora	
Mr. S. Kannan till September, 2016	
Mr.V.Ravikumar Reddy till 7 <sup>th</sup> Dec 2016	
Mr. Vinay Chilakapatti	
Mr. P Bhanu Prakash	
Mrs.Jhansi Sureddi	Relative to Chairman & Managing Director
Mrs.Padma Potluri till March 06, 2017	Directors
Mr. R.Nagarajan	
Mr.N.S.Kumar	
Bruma Properties Private Limited	Enterprises where KMP exercise significant influence



b) Summary of transactions & Outstanding Balances with the related parties during the year ended 31<sup>st</sup> March 2017

Nature of transactions	Transactions for the year ended		Outstanding balance as at	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Enterprises where significant influence exists - Bruma Properties Private Limited	-	-	35.00	35.00
Salary & Perquisites to Chairman & Managing Director	30.10	30.10	-	-
Salary to other KMPs	100.47	96.01	-	-
Interest Accrued and Loan outstanding from KMP	(9.41)*	(30.90)	401.49	411.47
Sitting Fees to Directors	9.13	10.99	-	-

\* write off

## c)

Name of the Subsidiary Company	Principal place of business	As at	As at	As at
		31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016	01 <sup>st</sup> April 2015
		% of Ownership Directly or through subsidiaries	% of Ownership Directly or through subsidiaries	% of Ownership Directly or through subsidiaries
PVP Corporate Parks Private Limited	India	100%	100%	100%
PVP Global Ventures Private Limited	India	100%	100%	100%
PVP Media Ventures Private Limited	India	100%	100%	100%
Safetrunk Services Private Limited	India	100%	100%	100%
New Cyberabad City Projects Private Limited	India	80.99%	80.99%	80.99%
Picturehouse Media Limited	India	51.46%	51.46%	-
Adobe Realtors Private Limited *	India	100%	100%	100%
PVP Capital Limited**	India	100%	100%	-
PVP Cinema Private Limited**	India	100%	100%	-
Picturehouse Media Private Limited** (Singapore)	Singapore	100%	100%	-
Blaster Sports Ventures Private Limited	India	-	-	60%
PVP Island Private Limited	India	-	-	100%

\* Adobe Realtors Private Limited is the wholly owned subsidiary company of PVP Global Ventures Private Limited.

\*\* PVP Capital Limited, PVP Cinema Private Limited and Picturehouse Media Private Limited (Singapore) are the wholly owned subsidiaries of Picturehouse Media Limited.

Name of the Associate Company	Principal place of business	As at	As at	As at
		31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016	01 <sup>st</sup> April 2015
		% of Ownership	% of Ownership	% of Ownership
Picturehouse Media Limited	India	-	-	35.96%

## d) Disclosure of interest in Material Subsidiaries

Name of the Company	Principal place of business	Principal activities of Business
Picturehouse Media Limited	India	Movie production and related activities
PVP Capital Limited	India	Movie financing activities

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 01 <sup>st</sup> April 2015
Ownership interest held by the Group	51.46%	51.46%	35.96%
Non-Controlling interest	48.54%	48.54%	64.04%

Non Controlling Interest	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 01 <sup>st</sup> April 2015
Accumulated Balances of NCI	361.64	935.05	-
Loss allocated to NCI	(567.60)	(459.29)	-
Dividend paid to NCI	-	-	-

The summarised separate financial information of subsidiary is as below:

Balance Sheet	2016-17	2015-16	2014-15
Non-Current Assets	3,035.53	3,040.70	3,029.63
Current Assets	27,817.78	33,657.19	29,119.69
<b>Total Assets</b>	<b>30,853.32</b>	<b>36,697.88</b>	<b>32,149.32</b>
Non-Current Liabilities	3,616.02	3,537.14	4,696.35
Current Liabilities	18,754.03	23,516.38	16,879.26
<b>Total Liabilities</b>	<b>22,370.05</b>	<b>27,053.52</b>	<b>21,575.61</b>
<b>Total Equity</b>	<b>8,483.26</b>	<b>9,644.36</b>	<b>10,573.71</b>

Profit &amp; Loss account:

Particulars	2016-17	2015-16
Total Income	11,816.01	12,951.23
Profit / (Loss) for the year	(1,165.60)	(941.31)
Other comprehensive income	4.51	11.96
Total comprehensive Income	(1,161.10)	(929.35)

**Summarised Cash flow:**

Particulars	2016-17	2015-16
Cash flows from Operating activities	7,192.18	318.69
Cash flows from Investing activities	8.35	694.39
Cash flows from Financing activities	(6,901.81)	3,760.41
Net Increase in Cash and Cash Equivalents	298.72	(174.43)

**27.17 Financial risk management objectives and policies**

The Group's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the group's operations. The group's principal financial assets comprises of investments, loans, cash and bank balance, trade and other receivables.

The group is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below.

**i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with variable interest rates.

Long Term borrowings of the company bear fixed interest rate, thus interest rate risk is limited for the group.

In the case of subsidiaries, they are almost immune to risk of swing in interest rate as the margin between the interest on borrowed capital and the interest on loans given are substantial. Further interest on loans given is fixed irrespective of the interest rates in the market.

**b) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group does not undertake transactions denominated in foreign currencies; consequently group activities are not exposed to exchange rate fluctuations.

**c) Equity price risk**

The equity price risk is the risk arising from uncertainties about future values of the investment securities. The Group does not have exposure to Equity price risk in investment except investments in mutual funds which are subject to minimal risk.

**ii) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily for trade receivables, loans and other financial assets).

Financial services business has a comprehensive framework for monitoring credit quality of its film production based on the status of the film production. Repayment by film producers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

The Group applies the simplified approach for providing expected credit losses prescribed by Ind AS 109, which permits the use of lifetime expected loss provision for all loans & advances. The group has computed expected credit losses based on the current information of the borrowers and status of the film production.

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

The nature of collateral security is in the form of personal guarantee of the borrowers. Further this personal guarantee is backed up with the list of immovable properties held by the borrower with the original title deeds.

The maximum exposure to credit risk of loans and advances is their carrying amount. The maximum exposure is before considering both the effect of mitigation through collateral security.

There have been no material impairments to trade or other receivables in the two years included within these financial statements and no indication of enhanced customer credit risk.

Credit risk on cash and cash equivalents is considered to be minimal as the counterparties are all substantial banks with high credit ratings.

**iii) Liquidity risk**

Liquidity risk is the risk that the group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The management is responsible for liquidity, funding as well as settlement management. The Group manages the liquidity and fund requirements for its operations through borrowings. Further, certain interest bearing liabilities carry different interest rates.



The table below provides details regarding the contractual maturities of Financial Liabilities:

(Rs. In lakhs)

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at 31 <sup>st</sup> March 2017					
Borrowings	-	13,228.26	17,520.07	-	<b>30,748.33</b>
Trade payables	-	648.78	-	-	<b>648.78</b>
Interest accrued	-	4,350.89	-	-	<b>4,350.89</b>
Other Financial Liabilities	-	129.81	-	-	<b>129.81</b>
<b>Total</b>	-	<b>18,357.74</b>	<b>17,520.07</b>	-	<b>35,877.81</b>

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at 31 <sup>st</sup> March 2016					
Borrowings	-	19,353.38	16,925.06	-	<b>36,278.44</b>
Trade payables	-	134.11	-	-	<b>134.11</b>
Interest accrued	-	2,468.45	-	-	<b>2,468.45</b>
Other Financial Liabilities	-	574.16	-	-	<b>574.16</b>
<b>Total</b>	-	<b>22,530.1</b>	<b>16,925.06</b>	-	<b>39,455.16</b>

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at 01 April 2015					
Borrowings	-	-	13,419.60	-	<b>13419.60</b>
Trade payables	-	576.63	-	-	<b>576.63</b>
Interest accrued	-	-	-	-	-
Other Financial Liabilities	-	523.68	-	-	<b>523.68</b>
<b>Total</b>	-	<b>1,100.31</b>	<b>13,419.60</b>	-	<b>14,519.90</b>

#### 27.18 Cenvat Credit of Service Tax

Based on the industry practice, company has availed 100% of Cenvat Credit on input services received during the Financial Year 2016-17, as against proportionate Cenvat Credit availed as per the provisions of the Cenvat Credit Rules 2004 in the previous Financial Year.

**27.19** Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs.51.00 Lakhs. (Rs.395.47 Lakhs in the previous year 2015-16).

#### 27.20 Security details and terms of repayment to the Borrowings

##### Non Current Borrowings

- Vehicle Loans are secured by way of Hypothecation of respective vehicles and the interest varies from 9% to 12% p.a and repayable in 3 to 7 years in monthly installments.
- The group has availed an Indian rupee term loan from a bank amounting to Rs.460 Lakhs which is to be repaid in 24 quarterly installments with a 6 months moratorium. Quarterly installment of Rs.19.17 Lakhs each commencing from 31-12-2016 to 30-09-2022. The group has provided Collateral Security as 20 flats of Ekanta Tower -1 of North Town Project, Chennai and pledging 10,00,000 equity shares of Rs.10/- each held in Picturehouse Media Limited apart from the collateral securities on the properties belonging to Group Companies and personal guarantee of Mr. Prasad V Potluri and Mrs. Jhansi Sureddi.
- The Group has availed an Indian rupee term loan from a company which is repayable based on the availability of funds and interest rate charged is 12% p.a on daily average funds. Borrowings are secured by way of charge on the advances to film production / finance.
- The debenture holders have extended the conversion/redemption option for a period of three years from 31st March 2016 i.e 31st March 2019 and the debenture holders have extended the time limit for payment of interest accrued on or before 30th September 2017.

##### Current Borrowings

- The Group has availed Indian rupee term loan from Central Bank of India which is repayable within 18 months from the date of disbursement or before release of the film whichever is earlier and interest rate charged is 14.20% p.a. The loan was secured by first charge on all tangible assets, present and future of the all the films to be financed and Collateral Security of land given by promoters. Personal / Corporate Guarantee has been provided by Mr. Prasad V. Potluri, Managing Director, Mrs. Jhansi Sureddi and PVP Ventures Limited.

As on 31st March 2017, the Group is overdue for a period of four months in repayment of dues to bank, amounting to Rs.15 Crores, which was repaid subsequently on 03rd April 2017.

- The Group has availed Indian rupee term loan from Canara Bank amounting to Rs.100 Crores and interest rate charged is base rate + 4.50%. Loan is secured by a charge on the loans made to film finance and other related activities, apart from the collateral securities on the properties belonging to Group Companies and personal guarantee of Mr. Prasad V Potluri and Mrs. Jhansi Sureddi.
- The Group has availed a loan from companies which are repayable on demand and interest rate charged by these companies varies from 12% to 18% p.a. These borrowings are secured by way of charge on the advances to film production/finance.

## 27.21 Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed.

### Financial Assets and Liabilities

The carrying value and fair value of financial instruments by categories as at 31<sup>st</sup> March 2017 were as follows:

(Rs. in Lakhs)

Particulars	Amortised cost	Fair Value through Profit or Loss	Fair Value through Other Comprehensive Income	Total Carrying Value
<b>Financial assets:</b>				
Investments in Mutual Funds	-	49.70	-	49.70
Cash and cash equivalents	0.84	-	-	0.84
Bank balance other than cash and cash equivalents	589.39	-	-	589.39
Trade Receivables	2,265.17	-	-	2,265.17
Loans	17,278.04	-	-	17,278.04
Other Financial Assets	1,746.08	-	-	1,746.08
<b>Financial liabilities:</b>				
Borrowings	30,748.33	-	-	30,748.33
Trade Payables	648.78	-	-	648.78
Other Financial Liabilities	4,480.70	-	-	4,480.70

The carrying value and fair value of financial instruments by categories as at 31<sup>st</sup> March 2016 were as follows:

(Rs. In Lakhs)

Particulars	Amortised cost	Fair Value through Profit or Loss	Fair Value through Other Comprehensive Income	Total Carrying Value
<b>Financial assets:</b>				
Investments in Mutual Funds	-	45.63	-	45.63
Cash and cash equivalents	5.49	-	-	5.49
Bank balance other than cash and cash equivalents	114.12	-	-	114.12
Trade Receivables	563.57	-	-	563.57
Loans	20,314.20	-	-	20,314.20
Other Financial Assets	2,240.20	-	-	2,240.20
<b>Financial liabilities:</b>				
Borrowings	36,278.44	-	-	36,278.44
Trade Payables	134.14	-	-	134.14
Other Financial Liabilities	3,042.61	-	-	3,042.61

The carrying value and fair value of financial instruments by categories as at 01<sup>st</sup> April 2015 were as follows:

(Rs. In lakhs)

Particulars	Amortised cost	Fair Value through Profit or Loss	Fair Value through Other Comprehensive Income	Total Carrying Value
<b>Financial assets:</b>				
Investments in Mutual Funds	-	-	-	-
Cash and cash equivalents	0.65	-	-	0.65
Bank balance other than cash and cash equivalents	93.46	-	-	93.46
Trade Receivables	302.48	-	-	302.48
Loans	138.54	-	-	138.54
Other Financial Assets	1,108.26	-	-	1,108.26
<b>Financial liabilities:</b>				
Borrowings	13,419.60	-	-	13,419.60
Trade Payables	576.63	-	-	576.63
Other Financial Liabilities	523.68	-	-	523.68

The carrying amount of all financial assets and liabilities appearing in the financial statements is reasonable approximation of fair values.



## 27.22 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimise cost of capital.

The Group monitors capital using the debt-equity ratio, which is net debt divided by total equity. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, Bank balance other than cash and cash equivalents.

(Rs in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 01 <sup>st</sup> April 2015
Long Term Borrowings	17,520.07	16,925.06	13,419.60
Cash & Cash Equivalents	(0.84)	(5.49)	(0.64)
Bank Balances other than Cash & Cash Equivalents	(589.39)	(114.12)	(93.46)
<b>Net Debt</b>	<b>16,929.84</b>	<b>16,805.45</b>	<b>13,325.50</b>
<b>Total Equity</b>	<b>28,421.20</b>	<b>27,599.72</b>	<b>20,843.77</b>
<b>Debt Equity Ratio</b>	<b>0.60</b>	<b>0.61</b>	<b>0.64</b>

No changes were made in the objectives, policies or processes during the year ended 31<sup>st</sup> March 2017.

## 27.23 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Group is engaged in Real Estate/Urban Infrastructure, Media Production and Movie Financing related activities. These are reportable segments for the year. Entire Operations of the Group is only in domestic hence reportable geographical segment does not arise except for one step down subsidiary of PHML Singapore which does not warrant geographical segment reporting. Segment wise income, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of cost plus margins. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

Ind AS 108 establishes standards for the way that public business enterprise report information about operating segments and related disclosures.

The segment revenue, segment expenses, segment assets and segment liabilities include respective amounts identifiable to each of the segment and also amounts allocated on a reasonable basis.

Particulars	Real Estate	Media Production & Finance related activities	Others	Eliminations	Total
Segment Revenue	3,766.53	11,793.46	-	-	15,559.99
Inter Segment revenue	-	-	-	-	-
<b>Total</b>	<b>3,766.53</b>	<b>11,793.46</b>	<b>-</b>	<b>-</b>	<b>15,559.99</b>
<b>Results</b>					
Segment profit/(loss) before finance and tax	881.60	10,284.05	-	-	11,165.65
Unallocable Expenditure	-	-	500.68	(455.95)	44.73
Interest Cost	-	-	4,717.46	-	4,717.46
Unallocable Income	-	-	(106.89)	-	(106.89)
Exceptional Items	-	-	(102.77)	-	(102.77)
Income tax expenses	-	-	-	-	(980.00)
<b>Profit/(loss) after tax</b>					<b>821.80</b>
<b>Other Information</b>					
<b>Segment Assets</b>	<b>91,682.37</b>	<b>28,333.05</b>	<b>40,942.22</b>	<b>(83,380.71)</b>	<b>77,576.92</b>
<b>Segment Liabilities</b>	<b>29,260.38</b>	<b>22,370.06</b>	<b>1,057.84</b>	<b>(3,532.56)</b>	<b>49,155.71</b>
<b>Depreciation and Amortisation expenses</b>	<b>59.02</b>	<b>50.85</b>	<b>1.59</b>	<b>-</b>	<b>111.46</b>
<b>Other Non Cash Expenses</b>	<b>4.68</b>	<b>(86.24)</b>	<b>-</b>	<b>-</b>	<b>(81.57)</b>

**27.24 Financial information pursuant to Schedule III of Companies Act, 2013**

Name of the Entity	Net Assets (Total assets less total liabilities)		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	As at 31 <sup>st</sup> March 2017		Year ended 31 <sup>st</sup> March 2017		Year ended 31 <sup>st</sup> March 2017		Year ended 31 <sup>st</sup> March 2017	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of Consolidated TCI	Amount
<b>Holding Company</b>								
PVP Ventures Limited	251.13%	62,421.99	148.67%	2,067.39	(193.44%)	(4.79)	148.59%	2,062.60
<b>Indian Subsidiaries</b>								
PVP Media Ventures Private Limited	2.36%	586.98	(1.03%)	(14.35)	20,104.08%	(498.14)	(36.92%)	(512.49)
Safe Trunk Services Private Limited	2.10%	520.85	(2.20%)	(30.65)	-	-	(2.21%)	(30.65)
PVP Corporate Parks Private Limited	6.82%	1,696.00	(2.09%)	(29.06)	-	-	(2.09%)	(29.06)
New Cyberabad City Projects Private Limited	101.84%	25,314.22	(0.44%)	(6.08)	-	-	(0.44%)	(6.08)
PVP Global Ventures Private Limited	61.57%	15,303.39	(32.17%)	(447.39)	-	-	(32.23%)	(447.40)
Adobe Realtors Private Limited	(0.11%)	(28.11)	(0.27%)	(3.71)	-	-	(0.27%)	(3.71)
Picturehouse Media Limited	13.74%	3,415.73	(86.23%)	(1,199.01)	124.48%	(3.08)	(86.60%)	(1,202.10)
PVP Capital Limited	20.39%	5,067.52	2.40%	33.41	(306.39%)	7.59	2.95%	41.00
PVP Cinema Private Limited	0.08%	21.07	(0.06%)	(0.87)	-	-	(0.06%)	(0.87)
<b>Foreign Subsidiaries</b>								
Picturehouse Media Private Limited	0.01%	2.47	(0.27%)	(3.82)	-	-	(0.28%)	(3.82)
Non Controlling Interest	(14.34%)	(3,564.44)	40.90%	568.75	88.30%	(2.19)	40.82%	566.57
*Consolidation Adjustments/Eliminations	(345.58%)	(85,900.97)	32.79%	455.95	(20,104.08%)	498.14	68.73%	954.09
<b>Total</b>	<b>100%</b>	<b>24,856.70</b>	<b>100%</b>	<b>1,390.56</b>	<b>100%</b>	<b>(2.47)</b>	<b>100%</b>	<b>1388.08</b>

\* Consolidation adjustments/Eliminations include intercompany eliminations.

**27.25 Disclosure on Specified Bank Notes**

The company had Specified Bank Notes or other denomination note as defined in the MCA Notification G.S.R.308(E) dated 31st March 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 08th November 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per notification is given below:

(Amount in Rs.)

Particulars	SBNs*	Other Denomination	Total
<b>Closing cash in hand as on 08<sup>th</sup> November 2016</b>	Nil	1,01,343	1,01,343
(+) Permitted Receipts	Nil	4,10,000	4,10,000
(-) Permitted Payments	Nil	(3,81,390)	(3,81,390)
(-) Amount deposited in Banks	Nil	-	-
<b>Closing cash in hand as on 30<sup>th</sup> December 2016</b>	Nil	1,29,953	1,29,953

\*For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407(E), dated the 8<sup>th</sup> November, 2016.

**27.26** The previous year and transition date figures have been regrouped/ rearranged wherever necessary to make it comparable with the current year figures. For the 1st April 2015 figures, Blasters Sports Ventures Private Limited and PVP Island Private Limited were included as Subsidiary Companies whereas for the subsequent years, the same were not subsidiaries. Similarly Picturehouse Media Limited figures were not considered in transition date financials as it has become subsidiary in the financial year 2015-16. In view of the above, 1st April 2015 figures are not strictly comparable with those 31st March 2016 and 31st March 2017.

**For Brahmaya & Co**  
Chartered Accountants  
Firm.Reg.No. 0005115

**Sd/-**  
**K JITENDRA KUMAR**  
Partner  
Membership No. 201825

Place : Chennai  
Date : May 30, 2017

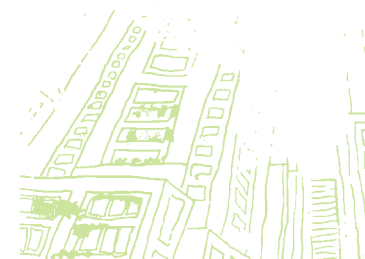
**For and on behalf of the Board of Directors**

**Sd/-**  
**PRASAD V. POTLURI**  
Chairman & Managing Director

**Sd/-**  
**D. KRISHNAMOORTHY**  
CFO & Company Secretary

Place : Chennai  
Date : May 30, 2017

**Sd/-**  
**R NAGARAJAN**  
Director





# PVP Ventures Limited

Regd. Office: KRM Centre, 9<sup>th</sup> Floor, Door No.2, Harrington Road, Chetpet, Chennai - 600 031  
Form No. MGT - 11

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

<b>CIN</b>	<b>L72300TN1991PLC020122</b>
Name of the Company	PVP Ventures Limited
Registered Office	KRM Centre, 9 <sup>th</sup> Floor, Door No.2, Harrington Road, Chetpet, Chennai - 600 031

Name of the Member(s):  
Registered Address:  
E-mail id:  
Folio No./Client Id:  
DP ID:

I/We, being the member(s) of .....shares of the above named Company, hereby appoint:

- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her.
- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her.
- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her.

as may/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, September 28, 2017 at 10.00 A.M. at Hotel Green Park, 'Vauhini Hall', No.183, NSK Salai, Arcot Road, Vadapalani, Chennai, Tamil Nadu - 600 026 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote**	
		For	Against
Ordinary Business:			
1	Consider and adopt audited Financial Statements, Reports of the Board of Directors' and Auditors' thereon for the financial year ended March 31, 2017		
2	To ratify appointment of M/s. Brahmayya & Co. as Statutory Auditors		

Signed this.....day of .....2017

Signature of Shareholder.....

Signature of Proxy holder(s).....

Please Affix  
Re.1/-  
Revenue  
Stamp and  
sign across

### Notes:

- The proxy duly completed should be deposited at the Registered Office of the Company not less than 48 hours (forty eight hours) before the time fixed for holding the meeting.
- A proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\* This is only optional. Please put 'X' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.









## PVP Ventures Limited

CIN: L72300TN1991PLC020122

Regd. Office: KRM Centre, 9<sup>th</sup> Floor, Door No.2, Harrington Road, Chetpet, Chennai - 600 031

### ATTENDANCE SLIP

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the company being held on Thursday, September 28, 2017 at 10.00 A.M. at Hotel Green Park, 'Vauhini Hall', No.183, NSK Salai, Arcot Road, Vadapalani, Chennai, Tamil Nadu - 600 026.

Name of the Shareholder:

Name of the Proxy:

Signature of member/proxy:

Regd. Folio/\*Client ID:

\*Applicable for members holding shares in electronic form

**Note: To be signed and handed over the entrance of the meeting venue.**









KRM Centre, 9th Floor, Door No. 2, Harrington Road, Chetpet, Chennai - 600031.  
T: +91 44 3028 5570 E: [investorrelations@pvpglobal.com](mailto:investorrelations@pvpglobal.com)